



भारत का राजपत्र

The Gazette of India

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० ३८] नई दिल्ली, शनिवार, सितम्बर २१, १९६८/भाद्र ३०, १८९०

No. 38] NEW DELHI, SATURDAY, SEPTEMBER 21, 1968/BHADRA 30, 1890

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

नोटिस

NOTICE

नीचे लिखे भारत के असाधारण राजपत्र २ सितम्बर, १९६८ तक प्रकाशित किये गए :—

The undermentioned Gazettes of India Extraordinary were published up to the 2nd September, 1968 :—

| Issue No. | No. and Date | Issued by | Subject |
|-----------|---------------------------------------|-------------------------------|--|
| 306 | S.O. 2959, dated 31st August, 1968. | Election Commission of India. | The Election Symbols (Reservation and Allotment) Order 1968. |
| | S.O. 2960, dated 31st August, 1968. | Do. | The National parties and the symbols reserved for them etc. |
| 307 | S.O. 3113, dated 1st September, 1968. | Ministry of Finance | Appointment of Shri Jasjit Singh, Jt. Secy in the Ministry of Finance Department of Revenue and Insurance) as administrator, Gold Control. |
| | S.O. 3114, dated 1st September, 1968. | Do. | Delegation of powers to the Administrator appointed under the Gold (Control) Act, 1968. |

| Issue No | No. and Date | Issued by | Subject |
|----------|---------------------------------------|--|---|
| | S.O. 3115, dated 1st September, 1968. | Ministry of Finance | Appointment of all Officers of Central Excise of and above the rank of sub-Inspectors and all Officers of Customs of and above the rank of Preventive Officers as Gold Control Officers. |
| | S.O. 3116, dated 1st September, 1968. | Do. | The Gold Control (Specifications of Standard Gold Bars and Conditions of Refining) Rules, 1968. |
| | S.O. 3117, dated 1st September, 1968. | Do. | The Gold Control (Forms, Fees and Miscellaneous Matters) Rules, 1968. |
| | S.O. 3118, dated 1st September, 1968. | Do. | Delegation of powers to every Gold Control Officers of and above the rank of Superintendent of Central Excise, to enter and search or to authorise any officer of Government to enter and to search any premises, vaults, lockers, or any other place, whether above or below ground. |
| | S.O. 3119, dated 1st September, 1968. | Do. | Delegation of powers to every Gold Control Officers of the rank of the Collector of Central Excise or of Customs in respect of any seizure effected by a Gold Control Officer lower in rank to that of a Collector of Central Excise or of Customs. |
| | S.O. 3120, dated 1st September, 1968. | Do. | Authorising the Gold Control Officers of and above the rank specified in the table therein to exercise the powers mentioned therein. |
| | S.O. 3121, dated 1st September, 1968. | Do. | Empowering every Gold Control Officer of and above the rank of the Inspector of Central Excise or of the Preventive Officer of Customs to draw samples of gold from any dealer, refiner or any other person, subject to certain conditions, limitations and restrictions. |
| 308 | S.O. 3122, dated 2nd September, 1968. | Ministry of Food, Agriculture Community Development and Cooperation. | Appointment of second day of September, 1968 as the date on which Seeds Act, 1966 shall come into force. |

| Issue No. | No. and Date | Issued by | Subject |
|-----------|--|---|--|
| | एस० प्रो० 3123 दिनांक 2 सितम्बर 1968 । | खाद्य, कृषि, अनुदायिक विकास तथा सहकारिता मंत्रालय | बीज अधिनियम 1966 को 2 सितम्बर 1968 को लागू करना । |
| 309 | S. O. 3124, dated 2nd September, 1968. | Ministry of Information and Broad-casting. | Approval of the films as specified therein. |
| 310 | S. O. 3125, dated 2nd September, 1968. | Ministry of Home Affairs. | Extending up to the 30th April, 1969, the period within which the Commission of Inquiry shall make its report. |
| 311 | S. O. 3126, dated 2nd September, 1968. | Cabinet Secretariat | Further amendment in the Government of India (Allocation of Business) Rule, 1961. |
| 312 | S. O. 3127, dated 2nd September, 1968. | Ministry of Commerce. | Appointment of Shri S. V. Kogekar as Member of the Forward Markets Commission, Bombay. |
| | S. O. 3128, dated 2nd September, 1968. | Do. | Appointment of Shri M. A. Rangaswamy, as Chairman of the Forward Markets Commission. |

ऊपर लिखे असाधारण राजपत्रों की प्रतियाँ प्रकाशन प्रबन्धक, सिविल लाइन्स, दिल्ली के नाम मांगपत्र भेजने पर भेज दी जाएंगी। मांगपत्र प्रबन्धक के पास इन राजपत्रों के जाँची होने की तारीख से 10 दिन के भीतर पहुँच जान चाहिए।

Copies of the Gazettes Extraordinary mentioned above will be supplied on indent to the Manager of Publications, Civil Lines, Delhi. Indents should be submitted so as to reach the Manager within ten days of the date of issue of these Gazettes.

भाग II—खण्ड 3—उपखण्ड (ii)

PART II—Section 3—Sub-section (ii)

(रक्षा मंत्रालय को छोड़कर) भारत सरकार के मंत्रालयों और (संघ क्षेत्र प्रशासन को छोड़कर) केन्द्रीय प्राधिकरणों द्वारा जारी किए गए विधिक आदेश और अधिसूचनाएँ।

Statutory orders and notifications issued by the Ministries of the Government of India (other than the Ministry of Defence) and by Central Authorities (other than the Administration of Union Territories).

ELECTION COMMISSION OF INDIA

ORDER

New Delhi, the 29th August 1968

S.O. 3293.—Whereas the Election Commission is satisfied that Shri Nand Kumar Singh of Village Mathulla, P.O. Daulatpur, District Shahabad (Bihar) a contesting candidate

for election to the House of the People from Buxar constituency, has failed to lodge an account of his election expenses as required by the Representation of the People Act, 1951, and the Rules made thereunder;

And whereas the said candidate, even after due notice has not given any reason or explanation for the failure;

Now, therefore, in pursuance of section 10A of the said Act, the Election Commission hereby declares the said Shri Nand Kumar Singh to be disqualified for being chosen as, and for being, a member of either House of Parliament or of the Legislative Assembly or Legislative Council of a State for a period of three years from the date of this order.

[No. BR-HP/37/67(45).]

By Order,

A. N. SEN, Secy.

MINISTRY OF HOME AFFAIRS

New Delhi, the 7th September 1968

S.O. 3294.—Whereas the Central Government is satisfied that it is necessary so to do in the public interest;

Now, therefore, in exercise of the powers conferred by sub-section (5) of section 8 of the Central Sales Tax Act, 1956 (74 of 1956), the Central Government hereby directs that no tax under this Act shall be payable by any dealer in respect of sales made by him in the Union territory of Pondicherry with effect from 20th February, 1967 to 19th November, 1967, in the course of inter-State trade or commerce by any registered dealer having his place of business in that Union territory, of any goods to which sub-section (1) of the said section applies, subject to the condition that the said dealer proves to the satisfaction of the assessing authority that no Sales Tax was collected by him during that period.

[No. F. 16/8/68-UTL.]

P. N. KAUL, Dy. Secy.

MINISTRY OF EXTERNAL AFFAIRS

New Delhi, the 30th July, 1968

S.O. 3295.—In pursuance of rule 5 of the Indian Foreign Service, Branch 'B' (Recruitment, Cadre, Seniority and Promotion) Rules, 1964, the Central Government, in consultation with the Union Public Service Commission hereby makes the following regulations, to amend the Indian Foreign Service, Branch 'B' (Departmental Promotion Committees and Establishment Boards) Regulations, 1965:—

1. These regulations may be called the Indian Foreign Service, Branch 'B' (Departmental Promotion Committees and Establishment Boards) Amendment Regulations, 1968.
2. In the Indian Foreign Service, Branch 'B' (Departmental Promotion Committees and Establishment Boards) Regulations, 1965, in regulation 3,—
 - (a) in item (i) in clause (i), for sub-clause (a), the following sub-clause shall be substituted, namely:—

“(a) The Additional Secretary or a Joint Secretary, in the Administration Division and two other Joint Secretaries, in the Ministry of External Affairs.”

(b) in item (1) for clause (ii), the following clause shall be substituted, namely:—

“(ii) The Additional Secretary or a Joint Secretary in the Administration Division in the Ministry of External Affairs, shall be the convener.”

(c) in item (1) for clause (iv), the following clause shall be substituted, namely:—

“(iv) In matters where the Commission is associated under regulation 5, the Chairman or a Member of the Commission so associated shall preside over the Committee. In other cases, the Additional Secretary if present shall preside, otherwise the senior-most Joint Secretary present shall preside.”

(d) in item (3) in clause (i), for sub-clause (a), the following sub-clause shall be substituted, namely:—

“(a) The Additional Secretary or a Joint Secretary, in the Administration Division in the Ministry of External Affairs.”

(e) in item (3) in clause (i), for sub-clause (c), the following sub-clause shall be substituted, namely:—

“(c) a Joint Secretary or a Director or a Deputy Secretary in the Ministry of Commerce.”

(f) in item (3), for clause (iv), the following clause shall be substituted namely:—

“(iv) The presiding officer shall be the Additional Secretary if present, otherwise the senior Joint-Secretary present. But in the absence of the Additional Secretary or a Joint Secretary in the Administration Division in the Ministry of External Affairs, no senior Board meeting shall be held.”

3. Clauses (a), (b), (c) and (d) of regulation 2 shall be deemed to have come into force on the 4th day of January, 1968 and the remaining clauses thereof shall be deemed to have come into force on the 1st day of April, 1967.

[No. 36/GA/68.]

New Delhi, the 6th September. 1968

S.O. 3296.—In pursuance of rule 5 of the Indian Foreign Service, Branch 'B' (Recruitment, Cadre, Seniority and Promotion) Rules, 1964, the Central Government, in consultation with the Union Public Service Commission, hereby makes the following regulations further to amend the Indian Foreign Service Branch 'B' (Departmental Promotion Committees and Establishment Board) Regulations, 1965, namely:—

1. (1) These regulations may be called the Indian Foreign Service, Branch 'B' (Departmental Promotion Committees and Establishment Boards) (Second Amendment) Regulations, 1968

(2) They shall come into force on the day of their publication in the Official Gazette.

2. In the Indian Foreign Service, Branch 'B' (Departmental Promotion Committees and Establishment Boards) Regulations, 1965, after clause (iv) of item (2) of regulation 4, the following clause shall be inserted, namely:—

“(v) to determine the suitability for recruitment to Grade VI of the Indian Foreign Service, Branch 'B' of persons appointed on ad hoc basis, in accordance with the proviso to sub-rule (1) of rule 16 of the Indian Foreign Service, Branch 'B' (Recruitment, Cadre, Seniority and Promotion) Rules, 1964”.

[No. 51/GA/68.]

A. G. ASRANI, Dy. Secy.

विदेश सेवा

नई दिल्ली, 6 सितम्बर 1968

एस० नो० 3297.—भारतीय विदेश सेवा, शाखा 'ख' (भर्ती, संवर्ग, वरिष्ठता और पदोन्नति) नियमावली, 1964 के नियम 5 के अनुसार केन्द्रीय सरकार, संघ लोक सेवा आयोग के परामर्श से

भारतीय विदेश सेवा शाखा 'ख' (विभागीय पदोन्नति समिति और सिब्बन्दी बोर्ड) विनियम 1965 में और आगे संशोधन करने के लिए निम्नलिखित विनियम बनाती है :

1. (1) ये विनियम, भारतीय विदेश सेवा, शाखा 'ख' (विभागीय पदोन्नति समिति और सिब्बन्दी बोर्ड) (दूसरा संशोधन) विनियम 1968 कहलाएंगे।
- (2) ये विनियम जिस दिन राजपत्र में प्रकाशित होंगे उसी दिन से लागू हो जाएंगे।
2. भारतीय विदेश सेवा शाखा 'ख' (विभागीय पदोन्नति समिति और सिब्बन्दी बोर्ड) विनियमावली 1965, विनियम, 4 के मद (2) के खण्ड (4) के बाव निम्नलिखित खंड जोड़ दिया जाएगा :

“(पांच) जो व्यक्ति तदर्थ आधार पर नियुक्त किए गए हैं उन्हें भारतीय विदेश सेवा शाखा 'ख' (भर्ती, संवर्ग, बरिष्ठता और पदोन्नति) नियमावली, 1964 के नियम 16 के उपनियम (1) के परन्तुक के अनुसार, भारतीय विदेश सेवा शाखा 'ख' के संवर्ग 'छह' में भर्ती करने की उपयुक्तता का सुनिश्चय करने के लिए।”

[संख्या 51/जी० ए०/68.]

ए० जी० असरानी, उप सचिव।

MINISTRY OF WORKS, HOUSING & SUPPLY

(Deptt. of Works & Housing)

New Delhi, the 12th September 1968

S. O. 3298.—In exercise of the powers conferred by section 3 of the Public Premises (Eviction of Unauthorised Occupants) Act, 1968 (32 of 1958), the Central Government hereby appoints the officer mentioned in column (1) of the Table below, being gazetted officer of Government, to be estate officer for the purposes of the said Act who shall exercise the powers conferred, and perform the duties imposed, on estate officers by or under the said Act, within the local limits of his jurisdiction in respect of the public premises specified in the corresponding entry in column (2) of the said Table.

THE TABLE

| <i>Designation of Officer</i> | <i>Categories of public premises and local limits of jurisdiction</i> |
|--|---|
| (1) | (2) |
| Director of Inspection (Meteorological), Jamshedpur. | Premises under the administrative control of the Director of Inspection (Meteorological), Jamshedpur, situated within the local limits of Jamshedpur. |

[No. F. 21011(4)/66-Pol.]

T. K. BALASUBRAMANIAN, Under Secy.

MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT

(Deptt. of Health and U.D.)

New Delhi, the 7th September 1968.

S.O. 3299.—Whereas the Central Government have, in pursuance of the provisions of clause (f) of section 3 of the Dentists Act, 1948 (16 of 1948) nominated Dr. J. E. Venson, Dental Surgeon, 2, St. Marks Road, Bangalore to be a member of the Dental Council of India with effect from the 2nd September, 1968 vice Dr. K. Azuma;

Now, therefore, in pursuance of section 3 of the said Act, the Central Government hereby makes the following further amendment in the notification of the Government of India in the late Ministry of Health No. F. 3-2/62-MII, dated the 17th October, 1962, namely:—

In the said notification, under the heading "Nominated under clause (f) of section 3", for the entry said against serial No. 6, the following entry shall be substituted, namely:—

"6. Dr. J. E. Venson, Dental Surgeon, 2, St. Marks Road, Bangalore".

[No. F. 3-11/68-MPT.]

K. DEO, Under Secy.

(Department of Health & Urban Development)

New Delhi, the 9th September 1968

S.O. 3300.—Whereas an application has been received by the Central Government from the person acting in the administration of the Scheme for the administration of the property of the Pasteur Institute of India (hereinafter referred to as the said Scheme), for modification of the said Scheme;

Now, therefore in exercise of the powers conferred by sub-section (2) of Section 5 of the Charitable Endowments Act, 1890 (6 of 1890), the Central Government, with the concurrence of the person who has made the application, hereby makes the following amendment in the said Scheme, namely:—

In paragraph 4 of the Scheme, for the words and brackets "The Deputy Director General of Health Services (Administration)", the words "A Deputy Director General of Health Services" shall be substituted.

[No. F.24-46/68-MA.]

R. MURTHI, Under Secy.

MINISTRY OF FINANCE

(Department of Economic Affairs)

New Delhi, the 11th September 1968

S.O. 3301.—Statement of the Affairs of the Reserve Bank of India as on the 6th September, 1968.

BANKING DEPARTMENT

| LIABILITIES | Rs. | ASSETS | Rs. |
|--|---------------|---|---------------|
| Capital paid up | 5,00,00,000 | Notes | 36,52,36,000 |
| | | Rupee Coin | 4,96,000 |
| Reserve Fund | 80,00,00,000 | Small Coin | 3,86,000 |
| National Agricultural Credit (Long Term Operations) Fund | 143,00,00,000 | Bills Purchased and Discounted :— | |
| | | (a) Internal | .. |
| | | (b) External | .. |
| | | (c) Government Treasury Bills | 158,44,20,000 |
| National Agricultural Credit (Stabilisation) Fund | 33,00,00,000 | Balances Held Abroad* | 107,24,24,000 |
| | | Investments** | 276,97,01,000 |
| National Industrial Credit (Long Term Operations) Fund | 55,00,00,000 | Loans and Advances to :— | |
| | | (i) Central Government | .. |
| | | (ii) State Governments @ | 38,64,86,000 |

| Deposits :— | | Loans and Advances to :— | |
|--|---------------|---|---------------|
| (a) Government† | | (i) Scheduled Commercial Banks† | 79,83,44,000 |
| | | (ii) State Co-operative Banks†† | 181,11,74,000 |
| | | (iii) Others | 4,65,55,000 |
| (i) Central Government | 98,64,36,000 | Loans, Advances and Investments from National Agricultural Credit (Long Term Operations) Fund:— | |
| (ii) State Governments | | (a) Loans and Advances to :— | |
| | | (i) State Governments | 31,68,12,000 |
| | | (ii) State Co-operative Banks | 15,60,28,000 |
| | | (iii) Central Land Mortgage Banks | .. |
| (b) Banks | | (b) Investment in Central Land Mortgage Bank Debentures | 8,53,61,000 |
| (i) Scheduled Commercial Banks | 132,93,55,000 | Loans and Advances from National Agricultural Credit (Stabilisation) Fund:— | |
| (ii) Scheduled State Co-operative Banks | 6,09,84,000 | Loans and Advances to State Co-operative Banks | |
| (iii) Non-Scheduled State Co-operative Banks | 79,56,000 | Loans, Advances and Investments from National Industrial Credit (Long Term Operations) Fund:— | |
| (iv) Other Banks | 15,81,000 | (a) Loans and Advances to the Development Bank | 6,08,92,000 |
| (c) Others | | (b) Investment in bonds/debentures issued by the Development Bank | .. |
| Bills Payable | 30,30,88,000 | Other Assets | |
| Other Liabilities | 29,09,71,000 | | |
| Rupees | | Rupees | |
| 985,16,91,000 | | 985,16,91,000 | |

*Includes Cash, Fixed Deposits and Short-term Securities.

**Excluding investments from the National Agricultural Credit (Long Term Operations) Fund and the National Industrial Credit (Long Term Operations) Fund.

@Excluding Loans and Advances from the National Agricultural Credit (Long Term Operations) Fund, but including temporary overdrafts to State Governments.

†Includes Rs. 40,90,28,000 advanced to scheduled commercial banks against usance bills under section 17(4) (c) of the Reserve Bank of India Act.

††Excluding Loans and Advances from the National Agricultural Credit (Long Term Operations) Fund and the National Agricultural Credit (Stabilisation) Fund.

Dated the 11th day of September, 1968.

An Account pursuant to the Reserve Bank of India Act, 1934, for the week ended the 23rd day of August, 1968
ISSUE DEPARTMENT

| LIABILITIES | Rs. | Rs. | ASSETS | Rs. | Rs. |
|--|-----------------------|-----------------------|---|----------------------|-----------------------|
| Notes held in the Banking Department | 36,52,36,000 | | Gold Coin and Bullion :— | | |
| Notes in Circulation | <u>3220,92,66,000</u> | | (a) Held in India | 115,89,25,000 | |
| Total Notes issued | | 3257,45,02,000 | (b) Held outside India | .. | |
| | | | Foreign Securities | <u>206,42,00,000</u> | |
| | | | TOTAL | | 322,31,25,000 |
| | | | Rupee Coin | | 82,09,09,000 |
| | | | Government of India Rupee Securities | | <u>2853,04,68,000</u> |
| | | | Internal Bills of Exchange and other commercial paper | | .. |
| TOTAL LIABILITIES | | <u>3257,45,02,000</u> | TOTAL ASSETS | | <u>3257,45,02,000</u> |

Date: the 11th day of September, 1968.

L. K. JHA,
Governor.

[No. F. 3(3)-BC/68.]

V. SWAMINATHAN, Under Secy.

(Department of Economic Affairs)

New Delhi, the 12th September 1968

S.O. 3302.—In pursuance of sub-section (2) of Section 21 of the Industrial Finance Corporation Act, 1948 (15 of 1948), the Central Government on the recommendation of the Board of Directors of the Industrial Finance Corporation of India, hereby fixes 5-3/4 per cent. per annum as the rate of interest payable on the bonds to be issued by the said Corporation on the 14th October, 1968 and maturing on the 14th October, 1980.

[No. F. 2(45)-Corp/68.]

M. K. VENKATACHALAM,
Director (Investments).

वित्त मंत्रालय (व्यर्थ विभाग)

नयी दिल्ली, 12 सितम्बर, 1968

एस०ओ० 3303.—औद्योगिक वित्त निगम अधिनियम, 1948 (1948 का 15 वां) की धारा 21 की उपधारा (2) के अनुसार, भारत सरकार ने, भारतीय औद्योगिक वित्त निगम के निदेशकों के बोर्ड की सिफारिशों पर, उक्त निगम द्वारा 14 अक्टूबर, 1968 को जारी किये जाने वाले तथा 14 अक्टूबर, 1980 को पकने वाले बाण्डों पर देय व्याज की वार्षिक दर एतद्वारा 5-3/4 प्रतिशत निर्धारित की है।

[सं० एफ० 2(45)-निगम/68]

एम० के० वेंकटाचलम,
निदेशक (निवेश)।

(Department of Revenue and Insurance)

CUSTOMS

New Delhi, the 21st September 1968

S.O. 3304.—In exercise of the powers conferred by clause (a) of section 7 read with clause (a) of sub-section (3) of section 160 of the Customs Act, 1962 (52 of 1962), the Central Government hereby makes the following amendment in the notification of the late Central Board of Revenue No. 138-Customs, dated the 29th September, 1962 namely:—

In column 4 of the Schedule annexed to the said notification for the words "Surat Custom House (at Magdalla)", the word "Magdalla Custom House (at Surat)" shall be substituted.

[No. 132/F. No. 14/4/68-LCII.]

M. S. SUBRAMANYAM, Under Secy.

RESERVE BANK OF INDIA

(Central Office)

*Bombay, the 20th August 1968**Destruction of Records (Public Debt Office) Amendment Rules, 1968.*

S.O. 3305.—In exercise of the powers conferred by Sub-section (1) of Section 3 of the Destruction of Records Act, 1917 (V of 1917) read with the Orders of the Government of India in the Ministry of Finance (Department of Economic Affairs) No. S.O. 59, dated the 5th January, 1959, I, the undersigned, with previous approval of Central Government, hereby makes the following rules to amend the Destruction of Records (Public Debt Office) Rules, 1959 published with the notification of the Government of India in the Ministry of Finance (Department of Economic Affairs) No. S. O. 1672 dated the 8th April, 1959 namely:—

1. These rules may be called the Destruction of Records (Public Debt Office) Amendment Rules, 1968.

2. In the Schedule to the Destruction of Records (Public Debt Office) Rules 1959, after Serial No. 99 and the entries relating thereto the following serial numbers shall be added namely :—

“100 Correspondence regarding

- (a) Supply,
- (b) Sale and
- (c) Return of unsold prize Bonds

1 year after agreement of figures or 20 years from the date on which the Bonds are notified for repayment.

- 101 Stock Register of Prize Bonds
- 102 Register of Prize Bonds issued from Stock
- 103 Register of Prize Bonds at the Office of Issue/Selling Offices
- 104 Balance Report of Prize Bonds
- 105 Statement of Sales and consolidated reports of Sales
- 106 Forwarding letters for Prize Bonds Issued to Selling Offices
- 107 Monthly account of Prize Bonds Issued.
- 108 Verification Reports

Do.

- 109 Stock Register—Receipt and Issue of Prize Bonds
- 110 Register of Sale of Prize Bonds
- 111 Progressive statement of sale
- 112 Sale of Prize Bonds on discount basis
- 113 Stock position.

Do.

- 114 Paid (a) 5-Year Interest-Free Prize Bonds, 1965
- „ (b) Premium Prize Bonds 1963
- „ (c) Premium Prize Bonds 1964

1-1-1969

1-1-1969

1-1-1970

- 115 Mutilated Prize Bonds, payment of which was refused and lying unclaimed

1-1-1969

1 year

- 116 Receipts to be given to the tenderer of Prize Bonds
- 117 Statement to be sent by the paying offices along with the Bonds which could not be paid by them to Local Prize Bonds Sections

Do.

Do.

- 118 Statement of Prize Bonds paid

- 119 Claim application

3 years

- 120 Stamped receipt received from claimants

Do.

- 121 Report by Prize Bonds Section, when claim is to be admitted/rejected.

3 years after repayment of bonds (with the exception of Court cases.)

3 years.

- 122 Advice of claim for prizes admitted/rejected.

- 123 Advice of claims received to be sent by Local Prize Bonds Section to Prize Bonds Section (Central)

1 year

- 124 Register or claim for Prizes paid/rejected.

3 years

- 125 Bill of expenditure in respect of Prize Bonds

1 year.

- 126 Correspondence regarding claims received on paid :

- (a) 5-Year Interest Free Prize Bonds, 1965

1-1-69

- (b) Premium Prize Bonds, 1963

1-1-68

- (c) Premium Prize Bonds, 1964

1-1-69

With the exception of Court cases.

- 127 Statement showing names of prize winners, statistics of claim etc.

1 year.

- 128 File containing correspondence regarding Prize Bonds draws

10 years.

[No. F. 25(7)NS/67]

(Sd.)/Illegible,
Secy.

CENTRAL BOARD OF DIRECT TAXES

INCOME-TAX

New Delhi, the 2nd September 1968

S.O. 3306.—In exercise of the powers conferred by sub-section (1) of Section 121 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes, hereby makes the following amendments to the Schedule appended to its notification No. 20 (F. No. 55/1/62-I.T.) dated the 30th April, 1963 published as S.O. 1293 on

pages 1454—1457 of the Gazette of India Part II Section 3 Sub-section (ii) dated the 11th May, 1963 as amended from time to time:—

1. Against S. No. 5A, Bombay City III, under column 3 of the Schedule appended thereto,

(i) the following entry shall be deleted:

"3. Bombay Suburban District (West)"

(ii) the existing items No. 4 to 12 shall be renumbered as 3 to 11.

2. Against S. No. 5, Bombay City II, under column 3 of the Schedule appended thereto, the following shall be added:

"11. Bombay Suburban District (West)"

This notification shall take effect from 1st August, 1968.

[No. 77 (F. No. 55/295/68-IT. A-III.)]

New Delhi, the 8th September 1968

S. O. 3307.—In exercise of the powers conferred by sub-section (1) of section 121 of the Income-tax Act, 1951 (43 of 1951), the Central Board of Direct Taxes, hereby makes the following amendments to the schedule appended to its Notification No. 20(F. No. 55/1/62-IT) dated 30th April, 1963, published as S.O. 1293 on pages 1454—1457 of the Gazette of India Part II Section 3 sub-section (ii) dated the 11th May, 1963, as amended from time to time :—

Existing entries under columns (1), (2) and (3) against S. No. 7A shall be substituted by the following entries :—

| Income-tax Commissioner | Headquarters | Jurisdiction |
|-------------------------|--------------|---|
| 1 | 2 | 3 |
| 7-A Delhi (Central) | New Delhi | 1. Central Circles I to XIV at Delhi. 2. Central Circle I & II at Jaipur. 3. Central Circles I & II at Ludhiana. 4. Central Circles I, II & III at Amritsar. 5. Central Circle, Ambala. 6. Central Circle, Srinagar. 7. Central Circles I to IV at Meerut. 8. Central Circles III, IV & V at Kanpur. |

This notification shall take effect from the 9th Sept., 1968.

[No. 80(F. No. 55/304/68/ITA-III.)]

N. SRIRAMAMURTY, Under Secy.

INCOME-TAX

New Delhi, the 5th September 1968

S.O. 3308.—In exercise of the powers conferred by sub-section (1) of section 122 of the Income-tax Act, 1961 (43 of 1961) and of all other powers enabling it in that behalf, and in supersession of all the previous notifications in this regard, the Central Board of Direct Taxes hereby directs that the Appellate Assistant Commissioners of Income-tax of the Ranges specified in column 2 of the Schedule below shall perform their functions in respect of all persons and incomes assessed to Income-tax or Supertax in the Income-tax Circles, Wards or District specified in the corresponding entry in column 3 thereof:

SCHEDULE

| S. No. | Range | Income-tax Circles, Wards or Districts |
|--------|-------------|---|
| 1. | Cuttack | (i) A, B, C, D, E, F & G Wards of Cuttack Circle, Cuttack. (ii) Central Circle, Cuttack. (iii) Special Circle, Cuttack. |
| 2. | Bhubaneswar | (i) Puri Circle, Puri. (ii) Salaries Circle, Bhubaneswar. (iii) Baripada Circle, Baripada. |

| S. No. | Range | Incometax Circles, Wards or Districts |
|--------|-----------|---|
| 3. | Sambalpur | (i) Sambalpur Circle, Sambalpur. (ii) Sundergarh Circle, Rourkela. (iii) Titilagarh Circle, Titilagarh. |
| 4. | Berhampur | (i) Berhampur Circle, Berhampur. (ii) Korapur Circle, Jeypore. |

Where an Incometax Circle, Ward or District or part thereof stands transferred by this notification from one Range to another Range, appeals arising out of assessments made in that Incometax Circle, Ward or District or part thereof and pending immediately before the date of this notification before the Appellate Assistant Commissioner of the Range from whom that Incometax Circle, Ward and District or part thereof is transferred shall, from the date this notification shall take effect, be transferred and dealt with by the Appellate Assistant Commissioner of the Range to whom the said Circle, Ward or District or part thereof is transferred.

This notification shall take effect from 9th September, 1968.

Explanatory Note.

The amendment has become necessary on account of the abolition of AA C, B-Range, Cuttack and creation of a new range of AA C at Bhubaneswar.

(The above note does not form part of the notification, but is intended to be merely clarificatory).

[No. 79 (F. No. 50/153/68-ITJ).]

S. V. SUBBA RAO, Under Secy.

MINISTRY OF TRANSPORT AND SHIPPING

(Transport Wing)

New Delhi, the 7th September 1968

S.O. 3309.—In pursuance of clause (i) of rule 2 of the Indian Merchant Shipping (Seamen's Employment Office, Bombay) Rules, 1954, and in supersession of the notification of the Government of India in the late Ministry of Transport No. 15-MT(6)/65, dated the 23rd May, 1966, the Central Government hereby appoints the Director General of Shipping, Bombay, *ex-officio*, as the Appellate Authority for the purposes of the said rules.

[No. 15-MT(4)/68.]

S.O. 3310.—In pursuance of clause (ii) of rule 2 of the Indian Merchant Shipping (Seamen's Employment Office, Calcutta) Rules, 1954, and in supersession of the notification of the Government of India in the late Ministry of Transport No. 15-MT(6)/65, dated the 23rd May, 1966, the Central Government hereby appoints the Director General of Shipping, Bombay, *ex-officio*, as the Appellate Authority for the purposes of the said rules.

[No. 15-MT(4)/68.]

RAM KISHORE, Under Secy.

(Transport Wing)

New Delhi, the 9th September 1968

S.O. 3311.—In exercise of the powers conferred by section 44 of the Road Transport Corporations Act, 1950 (64 of 1950), the Central Government hereby makes the following rules to amend the Tripura Road Transport Corporation Rules, 1967, namely:

1. These rules may be called the Tripura Road Transport Corporation (Amendment) Rules, 1968.

2. In the Tripura Road Transport Corporation Rules, 1967 (hereinafter referred to as the said rules), in rule 3, in sub-rule (1),—
 - (a) in clause (i), the brackets and figure "(i)" shall be omitted;
 - (b) clause (ii) shall be omitted.
3. In rule 5 of the said rules,—
 - (a) in sub-rule (2), for the proviso, the following proviso shall be substituted, namely:

“Provided that where any such member attends on the same day a meeting of the corporation and a meeting of the Committee of the Corporation, he shall be entitled to a fee of thirty rupees for attending such meetings.”;
 - (b) in sub-rule (3), in clause (a), the following proviso shall be inserted, namely:

“Provided that where the Chairman, Vice-Chairman or a member of the Corporation uses the staff car under sub-rule (1) of rule 6, he shall not be entitled to any conveyance allowance.”
4. In rule 6 of the said rules, in sub-rule (1), after the words “meeting of the Corporation”, the words “or a meeting of the Committee of the Corporation”, shall be inserted.

[No. 43-TAG(1)/66.]

R. K. SHARMA, Dy. Secy.

MINISTRY OF TOURISM & CIVIL AVIATION

New Delhi, the 5th September 1968

S.O. 3312.—The services of Shri M. S. Sundara, an Officer of the Indian Railway (Traffic) Service and formerly Joint Secretary to the Government of India in the Ministry of Finance (Department of Expenditure) have been placed at the disposal of the India Tourism Development Corporation Limited, New Delhi, for appointment as their Managing Director with effect from 26th August, 1968 and until further orders.

[No. Admn. 1(20)/67-Part.]

T. ARUMUGHAM, Dy. Secy.

पर्यटन तथा नागर विमानन मंत्रालय

नई दिल्ली, 5 सितम्बर, 1968

एस० प्रो० 3313.—भारतीय रेलवे (यातायात) सेवा के एक अधिकांसी तथा भारत सरकार के वित्त मंत्रालय (व्यय विभाग) के भूतपूर्व संयुक्त सचिव, श्री एम० एस० सुन्दरा को सेवाएं 26 अगस्त, 1968 से और अगले आदेशों तक भारत पर्यटन विकास निगम लिमिटेड, नई दिल्ली, के प्रबन्ध निदेशक के रूप में नियुक्ति के लिये उक्त निगम को सौंप दी गयी है।

[सं० प्रशासन 1(20)/67-भाग]

टी० आरमुगम, उप सचिव।

DEPARTMENT OF COMMUNICATIONS

(P. & T. Board)

New Delhi, 10th September 1968

S.O. 3314.—In pursuance of para (a) of Section III of Rule 434 of Indian Telegraph Rules, 1951, as introduced by S.O. No. 627 dated 8th March, 1960, the Director-General,

Posts and Telegraphs, hereby specifies the 1st October, 1968 as the date on which the Measured Rate System will be introduced in BATALA Telephone Exchange, JULLUNDUR (WEST) DIVISION, PUNJAB.

[No. 5-50/68-PHB (6).]

D. R. RAHL,
Assistant Director General (PHB).

संचार विभाग

(डाक-तार बोर्ड)

नई दिल्ली, 10 सितम्बर 1968

एस० ओ० 3315.—स्थायी आदेश क्रमसंख्या 627, दिनांक 8 मार्च, 1960 द्वारा लागू किए गए 1951 के भारतीय तार नियमों के नियम 434 के खण्ड III के पैरा (क) के अनुसार डाक-तार महानिदेशक ने बटाला टेलीफोन केन्द्र में 1-10-68 से प्रमाणित दर प्रणाली लागू करने का निर्णय किया है।

[सं० 5-50/68-पी० एच० बी० (6).]

डी० आर० बहल,

सहायक महानिदेशक (पी० एच० बी०)

सूचना और प्रसारण मंत्रालय

नई दिल्ली, 12 अगस्त 1968

एस० ओ० 3316.—सिनेमाटोग्राफ एक्ट 1952 के खण्ड 5 (1) तथा सिनेमाटोग्राफ (सेन्सर शिप) रूल्स, 1958 के नियम 9 के उप नियम (2) के साथ पठित नियम 8 के उपनियम (3) में प्रदत्त शक्तियों के अनुसार केन्द्रीय सरकार श्री नीस्सीम इजेकेल को अभी से केन्द्रीय फिल्म सेन्सर बोर्ड, बम्बई के सलाहकार पैनल में नियुक्त करती है :—

[सं० 11/2/68-एफ(सी)]

एस० ओ० 3317.—सिनेमाटोग्राफ (सेन्सर शिप) रूल्स 1958 की नियम 4 के साथ पठित सिनेमाटोग्राफ एक्ट, 1952 की धारा 3, उपधारा (1) के अन्तर्गत प्रदत्त शक्तियों के अनुसार केन्द्रीय सरकार निम्नलिखित व्यक्तियों को अभी से केन्द्रीय फिल्म सेन्सर बोर्ड का सदस्य नियुक्त करती है :—

1. श्री बी० एन० सरकार
2. श्री प्रबोध रावल
3. कुमारी ए. एम. नादकर्णी
4. श्री मती बीना हुगल

[सं० 11/8/67-एफ(सी)]

नई दिल्ली, 3 सितम्बर 1968

एस० ओ० 3318.—केन्द्रीय सरकार ने श्री वी० ईश्वरन् का कन्द्रीय फिल्म सेंसर बोर्ड, बम्बई क सलाहकार मण्डल की सदस्यता से त्याग-पत्र इस अधिसूचना की तिथि स स्वीकार कर लिया है।

[सं० 11/2/68-एफ० (सी)]

हरिबाबू कंसल, अवर सचिव।

MINISTRY OF INFORMATION AND BROADCASTING

New Delhi, the 3rd September 1968

S.O. 3319.—In exercise of the powers conferred by Section 5(1) of the Cinematograph Act, 1952 and sub-rule (3) of rule 8 read with sub-rule (2) of rule 9 of the Cinematograph (Censorship) Rules, 1958, the Central Government hereby appoints Shri Sujit K. Chakrabarti, as a member of the Advisory Panel of the Central Board of Film Censors, at Calcutta after consultation with the Board with immediate effect.

[No. 11/1/68-F(C).]

S.O. 3320.—The Central Government has been pleased to accept the resignation of Shri V. Isvaran, from membership of the Advisory Panel, Central Board of Film Censors, Bombay with immediate effect.

[No. 11/2/68-F(C).]

New Delhi, the 7th September, 1968.

S.O. 3321.—In exercise of the powers conferred by Section 5 (1) of the Cinematograph Act, 1952 and sub-rule (3) of rule 9 read with sub-rule (2) of rule 9 and sub-rule (3) of rule 8 of the Cinematograph (Censorship) Rules, 1958, the Central Government hereby re-appoints Smt. Nalini S. Sukthankar after consultation with the Central Board of Film Censors, as a member of the Advisory Panel of the said Board at Bombay with immediate effect.

[No. F. 11/2/68-F(C).]

S.O. 3322.—The Central Government has been pleased to accept the resignation of Smt. Nasrullah, from membership of the Advisory Panel, Central Board of Film Censors, Bombay with immediate effect.

[No. 11/2/68-F (C).]

New Delhi, the 9th September 1968

S.O. 3323.—In exercise of the powers conferred by sub-section (i) of section 3 of the Cinematograph Act, 1952, read with rule 4 of the Cinematograph (Censorship) Rules, 1958, the Central Government hereby appoints Smt. M. Nasrullah as a member of the Central Board of Film Censors with immediate effect.

[No. F. 11/8/67-F(C).]

H. B. KANSAL, Under Secy.

New Delhi, the 5th September 1968

S.O. 3324.—In pursuance of rule 4(b) of the C.I.S. Rules, 1959, the Central Government as the result of the review undertaken, hereby fixes the authorised permanent strength of the following grades of the Central Information Services as on the 1st March, 1968 :—

| Grade | Authorised permanent Strength |
|---------------------------|----------------------------------|
| <i>Glass I</i> | |
| Selection Grade | |

Senior Administrative Grade :

| | |
|------------------------|---|
| Senior Scale | 3 |
| Junior Scale | 6 |

Junior Administrative Grade :

| | |
|------------------------|---|
| Senior Scale | 5 |
| Junior Scale | 6 |

Grade I 84

| | | | |
|--|----|---|----|
| Grade II | 56 | } | 96 |
| Add leave reserve @ 10% | 16 | | |
| Add deputation reserve @ 15% | 24 | | |

Class II :

Grade III 123

| | | | |
|--|-----|---|-----|
| Grade IV | 239 | } | 293 |
| Add leave reserve @ 10 % | 36 | | |
| Add deputation reserve @ 5 % | 18 | | |

2. The total strength of the Central Information Service has been fixed at 617 as on the 1st March, 1968.

[No. F. 21/68-CIS.]

ORDERS

New Delhi, the 5th September 1968

S.O. 3325.—In pursuance of the directions issued under the provisions of each of the enactments specified in the First Schedule annexed hereto the Central Government after considering the recommendations of the Film Advisory Board, Bombay hereby approves the film specified in column 2 of the Second Schedule annexed hereto in Gujarati to be of the description specified against it in column 6 of the said Second Schedule.

THE FIRST SCHEDULE

- (1) Sub-Section 4 of the Section 12 and Section 16 of the Cinematograph Act, 1952 (Central Act XXXVII of 1952).
- (2) Sub-Section (3) of Section 5 and Section 9 of the Bombay Cinemas (Regulation) Act, 1953 (Bombay Act XVII of 1953).
- (3) Sub-Section (4) of Section 5 and Section 9 of the Saurashtra Cinemas (Regulation) Act, 1953 (Saurashtra Act XVII of 1953).

THE SECOND SCHEDULE

| Sl. No. | Title of the film | Length 35 mm | Name of the Applicant | Name of the Producer | Whether a Scientific film or a film intended for educational purposes or a film dealing with news and current events or a docu- mentary film |
|---------|-------------------------|-----------------|---|-------------------------|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| I | Mahitichitra No. 98. | 198-12 M | Director of Information, Government of Gujarat Ahmedabad. | | Film dealing with news and current events (For release in Gujarat Circuit only). |

[No. F. 24/1/68-FP App. 1284.]

S.O. 3326.—In pursuance of the directions issued under the provisions of the enactments specified in the First Schedule annexed hereto the Central Government after considering the recommendations of the Film Advisory Board Bombay hereby approves the film specified in column 2 of the Second Schedule annexed hereto in all its language versions to be of the description specified against it in column 6 of the said Second Schedule.

THE FIRST SCHEDULE

(1) Sub-Section (4) of Section 12 and Section 16 of the Cinematograph Act, 1952 (Central Act, XXXVII of 1952).

(2) Sub-Section (3) of Section 5 and Section 9 of the Bombay Cinemas (Regulation) Act 1953 (Bombay Act XI of 1953).

(3) Sub-Section (4) of Section 5 and Section 9 of the Saurashtra Cinemas (Regulation) Act, 1953 (Saurashtra Act XVII of 1953).

THE SECOND SCHEDULE

| Sl. No. | Title of the film | Length 35 mm | Name of the Applicant | Name of the Producer. | Whether a Scientific film or a film intended for educational purposes or a film dealing with news and current events or a documentary film. |
|---------|---------------------------|-----------------|---|-----------------------|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Maharashtra News No. 195. | 293.00M | Director of Publicity, Govt. of Maharashtra, 68-Tardeo Road, Centre, Bombay-34. | Film Film | Film dealing with news and current events (For release in Maharashtra Circuit only). |

[No. F. 24/1/68-FP App. 1285.]

BABU RAM AGGARWAL, Under Secy.

वाणिज्य मंत्रालय

आदेश

नई दिल्ली, 22 जुलाई, 1968

एस० ओ० 3327—आवश्यक वस्तु अधिनियम, 1955 (1955 का 10) की धारा 2 के खण्ड (क) के उपखण्ड (II) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए केन्द्रीय सरकार उक्त अधिनियम के प्रयोजनों के लिये नारियल की भूसी (कच्ची या गलाई हुई) को एतद् द्वारा आवश्यक वस्तु घोषित करती है।

[सं० 23(8)—टेक्स (जी)/68]

देवेन्द्र नाथ, संयुक्त सचिव।

MINISTRY OF COMMERCE

(Office of the Joint Chief Controller of Imports & Exports)

(Central Licensing Area)

CANCELLATION ORDERS

New Delhi, the 20th September 1968

S.O. 3328.—M/s. Universal Export Corporation, 16A/13, W.E.A. Karol Bagh, New Delhi were granted an import licence, No. P/EP/2289236/C dated 5th September,

1966. They have applied for duplicate copy (Custom Copy only) of licence on the ground that the original custom purposes copy has been lost or misplaced. It is, further stated that the original licence were not registered and not utilized.

In support of this contention, the applicant has filed an affidavit. I am satisfied that the original Custom Purposes copy of licence No. P/EP/2289236/C has been lost and direct that the duplicate licence (custom copy) should be issued to the applicant. The original custom purpose copy of licence is cancelled.

[No. Handi-1114/1966/E.P.S.1/C.L.A./3007.]

New Delhi, the 5th October 1967

S.O. 3329.—M/s. Abdul Ghani Habibullah, New Bazar, Bhadohi Distt. Varanasi were granted following two Import Licences :—

| Licence No. & date | Value | Description of goods |
|-----------------------------------|-------------|--|
| 1. P/EP/2577915/C dt. 24.7.67. | Rs. 29298/- | Wool tops combed in India/Raw wool/Shoddy wool (Including Man-made fibre/Tow/Yarn including Nylon Yarn) upto Rs. 274/- |
| 2. P/EP/2577916/C dt. 24.7.67. | Rs. 7452/- | Dyes & Chemicals of Permissible type only Acid and Direct Dyes will be free from face value restrictions. |

They have applied for duplicate copy (both the copies) of above mentioned two licences which have been lost or misplaced. It is further stated that original licences were not registered and not utilized.

In support of this contention, the applicant has filed two affidavits. I am satisfied that the original licences No. P/EP/2577915/C and P/EP/2577916/C (both the copies) have been lost and direct that the duplicate licences (both the copies) should be issued to the applicant in lieu thereof. The original licences No. P/EP/2577915 and P/EP/2577916 (both the copies) are cancelled.

[No. Carpet-654/1966/E.P.S.1/C.L.A./3220.]

RAM MURTI SHARMA,

Jt. Chief Controller of Imports & Exports.

(Office of the Deputy Chief Controller of Imports and Exports)

ORDER

Kanpur, the 10th January, 1968

S.O. 3330.—The following licences were issued to M/s. Chandra Wire and Metal Works, G. T. Road, Aligarh.

1. P/SS/1503371 dated 10th June, 1965 of the value of Rs. 428/- for the import of German Silver Scrap.
2. P/SS/1572333 dated 6th September, 1966 of the value of Rs. 8560/- for the import of German Silver Scrap.
3. P/SS/1602988 dated 10th April, 1967 of the value of Rs. 49142/- for the import of Copper Zinc and Nickel.

2. Thereafter a show cause notice No. Enf. (19)/1967/Kan was issued asking them to show cause within fifteen days of the date of receipt of the notice as to why the said licences in their favour should not be cancelled on the ground that they had suspended their manufacturing work.

3. In response to the aforesaid show Cause Notice M/s. Chandra Wire and Metal Works, G.T. Road, Aligarh had by their letter dated the 7th December, 1967 denied having totally suspended their work but shall resume the same after some time.

4. The undersigned has carefully examined the case and has come to the conclusion that the said licences will not serve the purpose for which they were granted.

5. Having regard to what has been stated in the preceding paragraph the undersigned is satisfied that the licences in question should be cancelled or otherwise rendered ineffective. Therefore, the undersigned in exercise of powers vested in him under clause 9 (cc) of the Imports (Control) order 1955 hereby cancel the licence Nos. P/SS/1503371 dated 10th June, 1966 for Rs. 428/- P/SS/1572333 dated 6th September, 1966 for Rs. 9860/- and P/SS/1602988 dated 10th April, 1967 issued in favour of M/s. Chandra Wire and Metal Works, G.T. Road, Aligarh.

[No. ENF. I(19)/1967/Kan.]

SARDUL SINGH,

Dy. Chief Controller of Imports and Exports.

(Office of the Joint Chief Controller of Imports and Exports)

ORDERS

Calcutta, the 17th July 1968

S.O. 3331.—A licence No. P/AU/1280802/C/XX/26/C/C/23-24 dated 29th March, 1968 of the value of Rs. 37485/- for import of Carbon Steel Sheets was issued to M/s. Spin Well Private Ltd., 6, Debarjang Road, Cossipore, Calcutta-2 subject to the conditions as under:—

- (a) This licence is issued subject to the condition that all items of goods imported under it, shall be used only in the licence holders' factory at the address shown in the essentiality certificate issued by the recommending authority against which the licence is issued and no portion thereof will be utilised by the licensee for a unit purpose other than the one for which the licence in question is issued or will be sold or be permitted to be utilised by any other party.

2. Thereafter, show cause notice No. 250/62/E & L dated 1st June, 1968, was issued asking them to show cause within 15 days as to why the said licence in their favour should not be cancelled on the ground that the goods are indigenously available in terms of Clause 9, sub-clause (a) & (b).

3. In response to the aforesaid show cause notice, M/s. Spin Well Private Ltd., 6, Debarjang Road, Cossipore, Calcutta-2 had by their letter dated 11th June, 1968 furnished a detailed explanation and had also asked for personal hearing with the undersigned which was allowed to their representative on 21st June, 1968. In their said reply and at the time of personal hearing, the firm contended that the goods are not indigenously available.

4. The undersigned has carefully examined the said representation and has come to the conclusion that the goods are indigenously available and licence was issued contrary to the Rules.

5. Having regard to what has been stated in the preceding paragraph, the undersigned is satisfied that the licence in question should be cancelled or otherwise rendered ineffective. Therefore, the undersigned, in exercise of the powers vested in him under Clause 9 sub-clause (a) and (b) of the Imports (Control) Order, 1955 hereby cancel the licence No. P/AU/1280802/C/XX/26/C/C/23-24 dated 29th March, 1968 for Rs. 37485/- issued in favour of M/s. Spin Well Private Ltd., 6, Debarjang Road, Cossipore, Calcutta-2.

[No. 250/62/E & L.]

S.O. 3332.—A licence No. P/AU/1280804/C/XX/26/C/C/23-24 dated 29th March, 1968 of the value of Rs. 7,700/- for import of High Carbon High Chromium Die Steel was issued to M/s. Spin-Well Private Ltd., 6, Dilarjang Road, Cossipore, Calcutta-2 subject to the conditions as under:—

- (a) This licence is issued subject to the condition that all items of goods imported under it, shall be used only in the licence holder's factory at the address, shown in the Essentiality Certificate issued by the recommending authority against which the licence is issued and no portion thereof will be utilised by the licensee for a unit purpose other than the one for which the licence in question is issued or will be sold or be permitted to be utilised by any other party.

2. Thereafter, a show cause notice No. 250/62/E & L dated 1st 1968 was issued asking them to show cause within 15 days as to why the said licence in their favour should not be cancelled on the ground that the goods are indigenously available in terms of clause, 9 sub-clause (a) & (b).

3. In response to the aforesaid show cause notice, M/s. Spin-Well, Private Ltd., 6, Dilarjang Road, Calcutta-2 had, by their letter dated 11th June 1968 furnished a detailed explanation and had also asked for personal hearing with the undersigned which was allowed to their representative on 21st June 1968. In their said reply and at the time of personal hearing, the firm contended that the goods are not available indigenously.

4. The undersigned has carefully examined the said representation and has come to the conclusion that the items are indigenously available and licence was issued contrary to the Rules.

5. Having regard to what has been stated in the preceding paragraph, the undersigned is satisfied that the licence in question should be cancelled or otherwise rendered ineffective. Therefore, the undersigned, in exercise of the powers vested in him under Clause 9, sub-clause (a) and (b) of the Imports (Control) Order, 1955 hereby cancel the licence No. P/AU/1280804/C/XX/26/C/C/23-24 dated 29th March, 1968 for Rs. 7700/- issued in favour of M/s. Spin Well, Private Ltd., 6, Dilarjang Road, Cossipore, Calcutta-2.

[No. 250/62/E&L.]

J. MUKHERJI,
Dy. Chief Controller of Imports and Exports.

(Office of the Joint Chief Controller of Imports and Exports)

(Central Licensing Area)

ORDERS

New Delhi, the 9th August 1968

S.O. 3333.—M/s. Kandhar Fruit Co., 44, Subzi Mandi, Delhi were granted permit No. P/EI/0160016, dated 18th December, 1967, for Rs. 7,224 for the import of Fresh Fruits (Anar) from Afghanistan under the Indo-Afghan Trade Arrangement (August 1967—July, 1968). They have applied for the Duplicate copy of both the copies of the said permit on the ground that original thereof have been destroyed in fire in their office, lost/misplaced. It is further stated by the firm that the original copies of the permit were utilised to the extent of Rs. 10,908 being the customs assessed value of the goods cleared.

In support of their declaration, the applicant has filed an affidavit duly attested by Oath Commissioner stating that the original permit has been destroyed in fire, lost or misplaced.

I am satisfied that both copies of the said permit No. P/EI/0160016, dated 18th December, 1967, have been lost and direct that duplicate of both the copies of the permit should be issued to the applicant. The original copies of the permit are hereby cancelled.

[No. F. 21(a)/iv/Per/K-2(49)/AJ. 68/AFTR/CLA.]

S.O. 3334.—M/s. Kandhar Fruit Co., 44, Subzi Mandi, Delhi, were granted permit No. P/EI/0159989, dated 13th December, 1967 for Rs. 14,448 for the import of Fresh Fruits (Anar) from Afghanistan under the Indo-Afghan Trade Arrangement (August, 1967—July, 1968). They have applied for the duplicate copy of both the copies of the said permit on the ground that original thereof have been destroyed in fire in their office, lost/misplaced. It is further stated by the firm that the original copies of the permit utilised to the extent of Rs. 21,816 being the customs assessed value of the goods cleared.

In support of their declaration, the applicant has filed an affidavit duly attested by Oath Commissioner stating that the original permit has been destroyed in fire, lost or misplaced.

I am satisfied that both copies of the said permit No. P/EI/0159989, dated 13th December, 1967 have been lost and direct that duplicate of both the copies of the permit should be issued to the applicant. The original copies of the permit are hereby cancelled.

[No. 21(a)/iv/Per K-2(47)/AJ.68/AFTR/CLA.]

S.O. 3335.—M/s. Kandhar Fruit Co., 44, Subzi Mandi, Delhi were granted permit No. P/EI/10158075, dated 19th September, 1967 for Rs. 74,844 for the import of Fresh Fruits (Grapes) from Afghanistan under the Indo-Afghan Trade Arrangement (August,

1967—July, 1968). They have applied for the duplicate copy of both the copies of the said permit on the ground that original thereof have been destroyed in fire in their office, lost/misplaced. It is further stated by the firm that the original copies of the permit were utilised to the extent of Rs. 47,196 being the customs assessed value of the goods cleared.

In support of their declaration, the applicant has filed an affidavit duly attested by Oath Commissioner stating that both the copies of the original permit have been destroyed in fire lost or misplaced.

I am satisfied that both copies of the aforesaid permit No. P/EI/0158075, dated 19th September, 1967 have been lost and direct that duplicate of both the copies of the permit should be issued to the applicant. The original copies of the permit are hereby cancelled.

[No. F. 21(a)/iv/Per/K-2(1)/AJ.68/AFTR/CL.A.]

S.O. 3336.—M/s. Enterprises Industrial Corporation, F-2/13, Krishan Nagar, Delhi-31 were granted licence No. P/SS/1607997/C/XX/25/CD/24-25, dated 7th October, 1967 for import of Acrylic Plastic Sheets and Polystyrene Moulding Powder worth Rs. 1,500. They have applied for a duplicate copy both for Customs as well as Exchange Control Purposes thereof on the ground that original licence in duplicate has been lost/misplaced. It is further stated that the original licence was not registered with any custom authority and was not utilized at all.

(2) In support of this contention, the applicant has filed necessary affidavit as required under para 299(2) read with Appendix 8 of the I.T.C. Hand Book of Rules & Procedure, 1968. I am satisfied that the original licence No. P/SS/1607997/C/XX/25/CD/24-25 dated 7th October, 1967 in duplicate has been lost/misplaced and

(3) In exercise of the powers conferred on me under clause 9(cc) Import (Control) Order, 1955, dated 7th December, 1955 as amended upto date, I order cancellation of both Custom and Exchange Control copies of licence No. P/SS/1607997/C/XX/25/CD/24-25, dated 7th October, 1967.

(4) The applicants are now being issued a duplicate copy of the said licence for both customs as well as exchange control purposes in accordance with para 299(2) of I.T.C. Hand Book of Rules & Procedure, 1968.

[No. F. E-6/AM-68/AU-UT/CL.A.]

J. S. BEDI,

Jt. Chief Controller of Imports and Exports.

(Office of the Joint Chief Controller of Imports and Exports)

ORDER

New Delhi, the 31st August 1968

S.O. 3337.—M/s. Macfarlane & Co. Ltd., 18, Radhanath Choudhry Road, Calcutta-15, were granted an import licence No. P/RM/2143988, dated 15th February, 1965. They have applied for issue of a duplicate copy of the licence for Customs Purposes only on the ground that the original has been misplaced. It is further stated that the licence was registered with Calcutta Customs and was utilised partly to the extent of Rs. 1,30,515. In support of this contention M/s. Macfarlane & Co. Ltd., Calcutta have produced an affidavit. The undersigned is satisfied that the original Customs Purposes Copy of the licence No. P/RM/2143988 dated 15th February, 1965 has been lost /misplaced and directs that licence Customs Purposes Copy only) should be issued to M/s. Macfarlane & Co. Ltd., Calcutta for the balance of Rs. 5,685 (Rupees Five thousand Six hundred and Eightyfive only).

The original Customs Purposes of the licence is hereby cancelled and duplicate licence for Customs Purposes is being issued separately.

[Pt. File No. Paints 77(1)/AM65/LII(C)RM.6.]

To,
M/s. Macfarlane & Co. Ltd., Radhanath Choudhry Road, Calcutta.

P. C. VERMA,

Dy. Chief Controller of Imports and Exports.

(Office of the Chief Controller of Imports and Exports)

ORDER

New Delhi, the 11th September, 1968

S.O. 3338.—In exercise of the powers conferred by clause 9 of the Imports (Control) Order, 1955 dated 7th December, 1955 (as amended from time to time), the undersigned hereby cancels the Import Licence No. G/RC/2085459/R/IA/21/C/H/21-22 dated 4th December, 1965, (both the copies completely unutilised and lost by the licensee) for the import of hydraulic lifted feed roll (as per list attached with the licence) valued at Rs. 1005/- issued in favour of M/s. Eastern Machinery and Trading Co., Bombay.

The reason for cancellation of licence is that the Controller of Stores, Western Railway, Bombay, has cancelled the Railway Order for the supply of goods covered by the licence.

[No. 22-E/Rly./65-66/GLS/270.]

S. A. SESHAN,

Deputy Chief Controller of Imports & Export.

MINISTRY OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS

(Department of Industrial Development)

New Delhi, the 16th September, 1968

S.O. 3339/IDRA/29B/68.—In exercise of the powers conferred by sub-section (1) of section 29B of the Industries (Development and Regulation) Act, 1951 (65 of 1951), the Central Government, being of opinion having regard to the stage of development of the Vanaspathi Industry [falling under entry "(2) Vanaspathi" under the heading "28. Vegetable Oils and Vanaspathi" of the First Schedule to the said Act], that it would not be in public interest to apply certain provisions of the said Act thereto, hereby exempts from the operation of sections 10, 11, 11A and 13 of the said Act and the rules made thereunder, all industrial undertakings pertaining to the said industry, subject to the following conditions, namely:—

- (i) that the total capacity of a factory does not exceed 100 tonnes per day;
- (ii) that the total capacity of a group of factories under the same ownership, management or control, does not exceed 200 tonnes per day.

[No. F. 6(3)/Lic.Pol./68.]

ORDERS

New Delhi, the 5th September 1968

S.O. 3340/IDRA/6/8/68.—In exercise of the powers conferred by Section 6 of the Industries (Development and Regulation) Act, 1951 (65 of 1951) read with Rules 5(i) and 8 of the Development Councils (Procedural) Rules, 1952, the Central Government hereby appoints till the 16th October, 1968, (1) Shri D. C. Kothari, President, Indian Sugar Mills Association and (2) The Secretary to the Government of Madras, Industries, Labour and Housing Department, Madras, to be members of the Development Council for the scheduled industries engaged in the manufacture or production of sugar, established by the Order of the Government of India in the late Ministry of Industry No. S.O. 307/IDRA/6/1/67, dated the 11th January, 1967, and makes the following amendments, namely:—

In the said Order, for entries No. 3 and 16 relating to Sarvashri V. D. Jhunjhunwala and T. N. Lakshminarayanan, the following entries shall be substituted, namely:

- "3. Shri D. C. Kothari, President, Indian Sugar Mills Association, M/s. Kothari Sugars and Chemicals Ltd., Oriental Building, Armenian Street, Madras.
16. The Secretary to the Government of Madras, Industries, Labour and Housing Department, Madras."

[No. 2(2) Dev. Council/66-L.C.]

New Delhi, the 12th September 1968

S.O. 3341/RLIUR/18.—In pursuance of rule 18 of the Registration and Licensing of Industrial Undertakings Rules, 1952, and in partial modification of the Order of the

Government of India in the Ministry of Industrial Development and Company Affairs (Department of Industrial Development) No. S.O. 276/RLIUR/18/1, dated the 8th January, 1968, the Central Government hereby appoints Shri G. L. Mehta, Chairman of the Industrial Credit and Investment Corporation of India Limited as Chairman of the Reviewing Sub-Committee of the Central Advisory Council of Industries till the 3rd November, 1969, in place of Shri P. L. Tandon resigned.

[No. F. 11(3) Lic. Pol./67.]

R. C. SETHI, Under Secy.

(Department of Industrial Development)

NOTIFIED ORDER

New Delhi, the 19th August, 1968

S.O. 3342.—In exercise of the powers conferred by Section 18A of the Industries (Development & Regulation) Act, 1951 (65 of 1951) the Central Government hereby extends the term of appointment of Shri S. N. Lahiri, as the Authorised Controller of the IEW for a period of three months from 11th June, 1968 upto and inclusive of 10th September, 1968.

[No. 1(2)/68-LEE1.]

N. SIVARAMAN, Under Secy.

(Department of Industrial Development)

(Indian Standards Institution)

Corrigendum

New Delhi, the 3rd September 1968

S.O. 3343.—In the Indian Standards Institution's notification published in the Gazette of India, Part II, Section 3(ii) dated 6th July, 1968 under number S.O. 2428 dated 24th June, 1968, the following correction shall be made:

Schedule Sl. No. 11 (Licence No. CM/I-1440), Col. 4—Read 'Chlordane dusting powder—IS:2864—1964' for BHC dusting powders IS:561—1962'.

[No. CMD/13:14.]

(Dr.) A. K. GUPTA, Dy. Director General.

MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION

(Department of Labour and Employment)

New Delhi, the 23rd August 1968

S.O. 3344.—In exercise of the powers conferred by section 88 of the Employees' State Insurance Act, 1948 (34 of 1948), the Central Government hereby exempts the civilian employees of the Indian Air Force on deputation to the Hindustan Aeronautics Limited (Kanpur Division) under the Ministry of Defence from the operation of the said Act for the period beginning with the 1st April, 1964 and ending with the 30th June, 1969, subject to the condition that the said factory shall maintain a register showing the names and designations of the said employees.

[No. F. 6(44)/66-HI.]

New Delhi, the 5th September 1968

S.O. 3345.—In pursuance of section 4 of the Employees' State Insurance Act, 1948 (34 of 1948), the Central Government hereby makes the following further amendment in the notification of the Government of India in the Ministry of Labour, Employment and

Rehabilitation (Department of Labour and Employment) No. S.O. 2551 dated the 9th August, 1966, namely :—

In the said notification, under heading "[Elected by Parliament under clause (i) of Section 4]", against serial No. 36 for the entry, the following entry shall be substituted, namely :—

"Shri Mahitosh Purkayastha, Nazirapatti, P.O. Silchar, Assam.
(Delhi Address :—59, North Avenue, New Delhi-1)".

[No. F. 3(1)/68-HI.]

New Delhi, the 10th September, 1968

S.O. 3346.—Whereas the State Government of Madhya Pradesh has, in pursuance of clause (d) of sub-section (1) of section 10 of the Employees' State Insurance Act, 1948 (34 of 1948), nominated Dr. S. L. Shah, Administrative Medical Officer, Employees' State Insurance Scheme, Government of Madhya Pradesh to be a member of the Medical Benefit Council in place of Dr. R. G. Deshmukh;

Now, therefore, in pursuance of sub-section (1) of section 10 of the Employees' State Insurance Act, 1948 (34 of 1948), the Central Government hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) No. S.O. 2899 dated the 27th September, 1966, namely :—

In the said notification, under the heading "[Nominated by the State Governments concerned under clause (d) of sub-section (1) of section 10]", for the entry against item (9), the following entry shall be substituted, namely :—

"Dr. S. L. Shah, Administrative Medical Officer, Employees' State Insurance Scheme, Government of Madhya Pradesh, Indore."

[No. F. 3(20)/66-HI.]

New Delhi, the 13th September 1968

S.O. 3347.—In exercise of the powers conferred by section 73F of the Employees' State Insurance Act, 1948 (34 of 1948), the Central Government, having regard to the location of the Electric Sub-Station No. IV, New Delhi Municipal Committee, Market Lane, New Delhi in an implemented area, hereby exempts the said sub-station from the payment of the employer's special contribution leviable under Chapter VA of the said Act for a further period of one year upto and inclusive of the 3rd September, 1969.

[No. F. 6(77)/68-HI.]

S.O. 3348.—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees' Provident Funds Act, 1952 (19 of 1952), the Central Government hereby appoints Shri D. S. Thukral, Assistant Provident Fund Commissioner (Grade-I), Uttar Pradesh to be an Inspector for the whole of the State of Uttar Pradesh for the purposes of the said Act or of any Scheme framed thereunder, in relation to any establishment connected with a railway Company, a major port, a mine or an oil field or a controlled industry.

[No. 18(20)/68-PFI(I).]

S.O. 3349.—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees' Provident Funds Act, 1952 (19 of 1952), the Central Government hereby appoints Shri A. S. Sattanathan, Assistant Provident Fund Commissioner (Grade I), Madras Region, to be an Inspector for the whole of the State of Madras and the Pondicherry and Karikal areas of the Union territory of Pondicherry for the purposes of the said Act or of any scheme framed thereunder, in relation to any establishment connected with a railway company, a major port, a mine or an oil-field or a controlled industry.

[No. 18(20)/68-PFI(II).]

S.O. 3350.—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees' Provident Funds Act, 1952 (19 of 1952), the Central Government hereby appoints Sarvashri Narendra Kumar Bhattacharjee, Haridas Chakravorty, Naresh Ch. Guha Khasnobis Indubusan Dutta, Samir Ch. Ghosh and Benoy Sen to be Inspectors for the whole of the State of West Bengal and the union territories of Tripura and Andaman and Nicobar Islands, for the purposes of the said Act and of any Scheme framed thereunder,

in relation to any establishment belonging to, or under the control of, the Central Government or in relation to any establishment connected with a railway company, a major port, a mine or an oil-field or a controlled industry.

[No. 21(6)/68-PF.I.]

S.O. 3351.—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees' Provident Funds Act, 1952 (19 of 1952), the Central Government hereby appoints Shri O. P. Sethi to be an Inspector for the whole of the Union territory of Delhi for the purposes of the said Act and of any Scheme framed thereunder, in relation to any establishment belonging to, or under the control of the Central Government, or in relation to an establishment connected with a railway company, a major port, a mine or an oil-field or a controlled industry.

[No. 21(5)/68-P.F.I.]

DALJIT SINGH, Under Secy.

(Department of Labour and Employment)

New Delhi, the 2nd September 1968

S.O. 3352.—The following draft of a scheme, further to amend the Calcutta Dock Workers (Regulation of Employment) Scheme, 1956, which the Central Government proposes to make in exercise of the powers conferred by sub-section (1) of section 4 of the Dock Workers (Regulation of Employment) Act, 1948 (9 of 1948), is published as required by the said sub-section for the information of all persons likely to be affected thereby; and notice is hereby given that the said draft will be taken into consideration on or after the 27th September, 1968.

Any objections or suggestions which may be received from any person with respect to the said draft before the date so specified will be taken into consideration by the Central Government.

Draft Scheme

1. This Scheme may be called the Calcutta Dock Workers (Regulation of Employment) Amendment Scheme, 1968.

2. In Clause 10 of the Calcutta Dock Workers (Regulation of Employment) Scheme, 1956, the following item shall be inserted, namely:—

"(f) make appointments to posts, the maximum salary of which exclusive of allowances is not more than five hundred and seventy five rupees per mensem".

[No. 65/10/68-Fac.II.]

S.O. 3353.—The following draft of a scheme further to amend the Bombay Dock Workers (Regulation of Employment) Scheme, 1956, which the Central Government proposes to make in exercise of the powers conferred by sub-section (1) of section 4 of the Dock Workers (Regulation of Employment) Act, 1948 (9 of 1948), is published as required by the said sub-section for the information of all persons likely to be affected thereby; and notice is hereby given that the said draft will be taken into consideration on or after the 27th September, 1968.

Any objections or suggestions which may be received from any person with respect to the said draft before the date so specified will be taken into consideration by the Central Government.

Draft Scheme

1. This Scheme may be called the Bombay Dock Workers (Regulation of Employment) Amendment Scheme, 1968.

2. In Clause 10 of the Bombay Dock Workers (Regulation of Employment) Scheme, 1956, after item (d), the following item shall be inserted, namely:—

"(c) make appointments to the posts, the maximum salary of which exclusive of allowances is not more than five hundred and seventy five rupees per mensem".

[No. 65/10/68-Fac.II.]

New Delhi, the 6th September 1968

S.O. 3354.—In exercise of the powers conferred by sub-paragraph (3) of paragraph 1 of the Dock Workers (Safety, Health and Welfare) Scheme, 1961, the Central Government hereby notifies the 1st October, 1968 as the date on which paragraphs 12(2), 16 and 20 of the said Scheme shall come into force.

[No. 67/13/68-Fac.II.]

K. D. HAJELA, Under Secy.

(Department of Labour and Employment)

New Delhi, the 5th September 1968

S.O. 3355.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Calcutta, in the industrial dispute between the employers in relation to the Union Co-operative Insurance Society Limited, Calcutta and their workmen, which was received by the Central Government on the 29th August, 1968.

CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, CALCUTTA.

REFERENCE No. 79 OF 1967

PARTIES:

Employers in relation to the Union Co-operative Insurance Society Limited, Calcutta,

AND

Their workmen.

PRESENT:

Shri Binayak N. Banerjee—Presiding Officer.

APPEARANCE

On behalf of Employers:

Shri K. C. Mitra, Advocate.

On behalf of Workmen:

Shri R. Banerjee, Advocate.

STATE : West Bengal.

INDUSTRY : Insurance.

AWARD

By Order No. 70/19/67-LR.III, dated October 20, 1967, the Government of India, in the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), referred the following dispute between the employers in relation to the Union Co-operative Insurance Society Limited, Calcutta, and their workmen under Section 10(1)(d) of the Industrial Disputes Act, namely:—

“Whether the action of the management of the Union Co-operative Insurance Society Limited, Calcutta in dismissing from service Shri P. K. Basu Majumdar, Assistant, with effect from 7th July, 1967 is justified? If not, to what relief is he entitled?”

2. The workman concerned, Sri P. K. Basu Majumdar, used to work as the Telephone Operator and Receiving Clerk in the employer Insurance Society (hereinafter referred to as the employer Society). It is not disputed that in the last general election held in February, 1967, he stood for election to a seat in the West Bengal Legislative Assembly from Noapara Constituency but lost in the election. It is also not disputed that he took privilege leave upto December 28, 1966. It does not, however, appear whether the leave was taken in connection with his pre-occupation in the affairs of the election. Thereafter, he says, he fell ill and applied for medical leave, in writing, by post. He admits that he did not receive any reply to his application but presumed that the same must have been granted. In as much as his sickness continued, he could not join his duties for some time. On or about 10 or 11th February 1967, he received the following chargesheet, dated February 8, 1967, from the employer Society (item 4 in the bundle of documents collectively marked Ext. A):—

“Please refer to this office letter No. Staff/8481 dated 20th December, 1966 under which you were granted Privilege Leave from 19th December, 1966 to

28th December, 1966, both days inclusive. Unfortunately however, even though the leave period has expired, you did not attend to this office nor did you even care to write us a letter explaining your non-attendance. We presumed that you were possibly sick. That presumption, however, was ruled out when you presented yourself to this office on 4th January, 1967 to collect your salary for the month of December, which was paid to you by our Area Accountant, Sri S. D. Rao. At that time you were perfectly hale and hearty. You also dropped into this office on the 2nd February and met some of the members of the staff. Unfortunately, on both these occasions you deliberately avoided a meeting with the Area Manager.

Be that as it may, the fact remains that you are perfectly hale and hearty and that you are deliberately absenting yourself without any official intimation to this office or without explaining the reason for your non-attendance. On inquiry we learn that you have sought election as a Jan Sangh candidate from the Noapara constituency to the West Bengal State Assembly and your preoccupation with the election is presumably the cause of your absence.*****

In any case, this unauthorised absence by you without any valid reason is a gross misconduct sufficient to lead to a dismissal of your service.

Secondly, some time ago, you officially applied to this office requesting permission to contest the forthcoming General Election. The matter was referred to our Head Office who, under their letter dated 1st December, 1966 refused to grant you the said permission to contest the election and the decision was communicated to you under this office letter No. Cal: Staff/7982 dated 5th December, 1966. Unfortunately, even in spite of this, you deliberately violated the order of the Head Office and are contesting the election which, by itself, constitute major misdemeanour and gross indiscipline.

Show cause therefore why your services should not be dismissed for both offences considered severally and jointly.*****

3. The workmen, P. K. Basu Majumdar, says that on February 15, 1967, he asked for 10 days' time to reply to the charges levelled against him (item 6 in the bundle of documents collectively marked Ext. A). This application was granted. Thereafter, he says, that he submitted his explanation in writing on February 25, 1967 (marked Ext. 6 subject to objection) *inter alia* stating,

*****I beg to state that I sent a letter under Certificate of Posting on 29th December, 1966 in continuation of my sanctioned Privilege Leave due to medical reason enclosing thereto a medical certificate from a Registered Medical Practitioner. I had to attend the office on 4th January, 1967 for collecting my salary for the month of December, 1966 and could not stay there for more than half an hour due to sickness. At that time if I were "perfectly hale and hearty" you could challenge the medical certificate sent along with my letter dated 29th December, 1966. On 28th January, 1967 I sent a letter requesting you to kindly send me my salary for the month of January, 1967 by M/O. But you did not pay heed to my request. After a telephonic talk I attended the office with sickness on 2nd February, 1967 for collecting the said salary. But you did not release my salary though the Head Office has granted me usual increment. ***** Thus the charge of un-authorised absence is baseless and as such the allegation of gross misconduct does not arise at all.

Regarding permission to contest the forthcoming General Election, I beg to state that you verbally permitted me to contest the General election 1967 and accordingly I proceeded in the matter. In this respect I wrote you a letter on 7th November, 1966 and you forwarded my said letter to the Head Office for their final decision. The long silence impressed me that I have been given the consent from your office and moreover as it is a fundamental right provided in the Constitution of India, how can it be expected that when Mr. Das, Asstt. Branch Manager of Ruby General Insurance Co., contested from the Madhubani Parliamentary Constituency of Bihar and the news appeared in the Insurance Herald. I will be treated separately! Therefore any such order of suspension from 29th December, 1966 is not only illegal, but can be challenged as without any sufficient cause shown against me.*****

4. In support of the case that such an explanation was actually submitted, the workman relied upon a receipt, said to have been granted by the employer Society under its receipt stamp (Ext. 7). The employer Society, however, denied that any such explanation was at all submitted to or was received by them. Non-receipt of the explanation to the notice to show cause is recorded in the employer Society's letter to the workman, dated

April 5, 1967 (item 11 of the bundle of documents collectively marked Exht. A), from which the relevant portion is set out below:—

"Please refer to this office letter No. 987 dated 8th February, 1967 under which you were directed to submit your explanation within seven days from the receipt of the said letter. In reply, I find from your letter dated 15th February, 1967, that you wanted ten more days' time to submit your explanation which, however, was not received in this office."

By the aforesaid letter, April 29, 1967 was fixed as the date of enquiry and the workman was directed to attend the enquiry without fail. The workman attended the enquiry and made his submissions in person. He himself gave evidence and also cross-examined witnesses examined on behalf of the employer Society. The Inquiring Officer found the workman guilty on both the counts of misconduct mentioned in the chargesheet. With regard to the charge of unauthorised absence, the Inquiring Officer observed:

"Shri Basu Majumdar could not produce any document to show that he did obtain leave on expiry of the leave already granted from 19th December, 1966 to 28th December, 1966 or that he was on authorised leave. On examination of evidence before me, I find that Shri Basu Majumdar was absenting without authority. I find him guilty of unauthorised absence."

With regard to the charge of contesting the election to the West Bengal Legislative Assembly in violation of the service rules and in disregard of the order from the Head Office refusing him permission to stand at the election, the Inquiring officer observed:—

"By a letter dated 1st December, 1966, the Head Office refused to grant permission sought for. In spite of refusal to grant such permission, Shri P. K. Basu Majumdar contested the election. This act on the part of Shri Basu Majumdar proves that he violated the Head Office order in relation to a matter which he sought for. In the circumstances, I find Shri Basu Majumdar guilty of the second charge also."

On the above findings, the Inquiring Officer recommended the dismissal of the workman from service. Thereupon, by letter dated July 7, 1967 (item 14 of the bundle of documents collectively marked Exht. A), the employer Society dismissed the workman with immediate effect.

5. The dismissal of the workman was taken up by a trade union known as the General Insurance Employees' Association and the industrial dispute thus raised was ultimately referred to this tribunal for adjudication.

6. In the written statement filed on behalf of the workman by the General Insurance Employees' Association (hereinafter referred to as the Employees' Association), the stand taken against the first count of misconduct, namely, absence without leave was:

- (a) that the employer Society has no Service Rule or Standing Order and in the absence of such Rule or Standing Order, absence without leave was not a misconduct meriting dismissal.
- (b) that the finding of the Inquiring officer that the workman was absent without authorised leave as unjustified and perverse.
- (c) that the usual procedure in the employer Society was that sick-leave, if due, would be taken as sanctioned unless expressly refused, which, however, was not done in the instant case.
- (d) that in not replying to the application by the workman, dated December 29, 1966, asking for leave, and in waiting for about two months before starting disciplinary action, the employer acted *mala fide*.

The stand taken in the written statement against the second charge of misconduct, namely, participating in the general election of 1967 as a candidate, in violation of the service rules and in disregard of the instructions from the Head Office, was:—

"Shri Basu Mazumdar is an Indian Citizen and his fundamental right to elect and be elected cannot be taken away by any fiat or contract."

Against the procedure adopted at the enquiry, the points taken in the written statement were:

- (a) that the employer company had already made up its mind to terminate the service of the workman with effect from December 28, 1966, but to cover up the fact that it had already made up its mind, the so called domestic enquiry was held.

- (b) that adequate opportunity was not given to the workman to put his case, in particular, witnesses cited by him were not called although all of them were employer Society's employees stationed at Calcutta.

7. The employer Society also filed a written statement. So far as the absence without leave was concerned, it was stated in the written statement:

"Shri Basu Mazumdar obtained privilege leave from 19th December, 1966 to 28th December, 1966, both days inclusive; on the expiry of the said period of leave, Sri Basu Mazumdar did not report for duty nor did he submit any application praying for leave and continued to be absent without authority. He called at the office of the Society on 4th January, 1967 to collect his salary for the month of December, 1966. But he did not resume his duties nor submit any application explaining the reason for unauthorised absence, nor did he submit any application praying for leave. Again on 2nd February, 1967 he came to the area office of the Society and talked with some members of the staff. On that occasion also he did not report for duty nor did he submit any application praying for leave explaining the reason for unauthorised absence."

In respect of misconduct in participating in the general election to the West Bengal Legislative Assembly as a candidate, it was stated:

"Sometime in November Shri P. K. Basu Mazumdar addressed a letter to the Area Manager seeking permission to contest the 1967 General Election. It was a condition of service that employees of the Society without obtaining previous permission from the employer would not seek election in such bodies. On receipt of the said letter the Area Manager of the Society forwarded the same to the Head Office for its decision in that regard. The Manager of the Society by its letter dated 1st December, 1966 intimated the Area Manager that the permission sought by Sri Basu Mazumdar was not granted.***"

P. K. Basu Mazumdar was duly informed of the decision taken by the Head Office. In spite of the fact that Shri Basu Mazumdar was not granted permission to seek election, he in violation of the Head Office order contested the Election from Noapara Constituency on Jan Sangh ticket."

8. It was categorically stated in the written statement that the workman did not show cause on receipt of the chargesheet nor within the time extended thereafter. It was further stated, in the written statement, that the workman was given reasonable opportunity to defend himself at the domestic enquiry and that the order of his dismissal from service, on the recommendation of the Inquiring Officer was fully justified. So far as the grievance made against the procedure adopted at the enquiry was concerned, it was stated in the written statement:—

- (a) that the employer company had not made up its mind to do away with the services of the workman even before the enquiry.
- (b) that the workman was given all reasonable opportunity to defend himself and that the enquiry was held on principles of natural justice.
- (c) the workman was asked by the Inquiring Officer to produce his witnesses but he informed the Inquiring Officer that he would not produce any witness.

9. At the hearing before this tribunal, the workman examined himself. No other witness was examined on his behalf. On behalf of the employer company the then Area Manager, Sri Abani Choudhary and the Inquiring Officer, Shri Shvamsundar Choudhury were examined.

10. So far as the charge of absenteeism was concerned, Shri Banerjee, learned advocate for the Employees' Association, submitted, in the first place, that the employer Society had no Service Rules which made absence without leave a misconduct. I am unable to uphold this argument. The leave rules of the employers read:

"13(II) LEAVE RULES:

Privilege leave.—Privilege leave of 30 days for 12 months continuous service shall be allowed to all permanent employees of the Society. Such leave may be allowed to be accumulated upto 90 days only but shall be granted at the convenience of the Management depending upon the exigencies of the office work.

Casual Leave.—Not exceeding 15 days for each year will be allowed to all permanent employees. Such casual leave cannot be accumulated and should not exceed more than three days at a time and shall not be prefixed and/or affixed to Public Holidays.

Sick Leave.—So far as Sick leave is concerned, the following agreement was arrived at:—

A permanent employee who has completed one year of service shall be entitled to 10 days sick leave with full pay on grounds of sickness on submission of a medical certificate. Such leave shall only be given if the Privilege Leave is exhausted.

Preparatory Leave.—When on transfer from one station to another four days and joining time, in addition to the time required for the journey shall be allowed, which may be extended upto seven days only in exceptional cases, with the previous sanction from the Manager.

Leave without pay.—Persons who have no other leave available may be allowed leave without pay, only in very exceptional cases, and at the discretion of the Manager.

No leave with pay shall be allowed in the first six months of service except casual leave at the rate of 1 day for every month. In emergent cases, special leave upto 10 days may be granted at the discretion of the Manager, but this leave shall be taken into account in the leave that may be earned thereafter.

In the face of these rules, it cannot be argued that an employee is entitled to absent himself at his pleasure and without fear of penal consequences. The rules indicate that leave will have to be applied for and availed of only when granted.

11. A copy of the medical certificate, referred to in the letter, and sent along with the same, is Ext. 5. The copy of the certificate appears to be signed by one Dr. Basak. Along with the application for medical leave there was also another medical certificate sent in support of a previous sick leave taken, all under one Certificate of Posting (Ext. 4), bearing postal seal of Garulia Post-office of the date December 29, 1966. The receipt of this application as also of the medical certificates is strongly denied by the employer Society. I am not impressed by the denial. If a letter properly directed be proved to have been put into the Post office, it is to be presumed that the letter reached its destination at the proper time according to the regular course of business of the Post office and was received by the person to whom it was addressed (*vide* observation of Lord Atkinson in *Harihar Banerjee Vs. Ramshoshi Roy*, L.R. 45 I.A. 222). This also is the statutory illustration (b) to Section 16 of the Evidence Act, which reads:—

“(b) the question is whether a particular letter reached A. The fact that it was posted in due course and was not returned through the Dead Letter Office, are relevant.”.

The Certificate of posting is thus *prima-facie* proof that the letter was put in the Post Office and in the absence of anything denoting the contrary, the letter should be presumed to have reached the addressee. I should not, without more, proceed on the supposition that the certificate of posting was a forged document. This view was also expressed by the Calcutta High Court in *Hemangini Dassee Vs. Sarnatalika Dassee* (AIR 1940 Calcutta 227—per A. N. Sen, J.):—

“There is a certificate of posting. The learned Counsel on behalf of the petitioner mentions a case where it was proved that a certificate of posting had been forged. That may be so, but it would be entirely wrong for me to work on the presumption that the certificate of posting was a forgery. On the other hand, I should presume that the letter was posted and that it reached its destination unless something is shown to the contrary.”.

Lastly, I need refer to a decision of the Supreme Court, *Mobarik Ali Ahmed Vs. The State of Bombay* (AIR 1957 S.C. 857) in which Jagannadhas, J. observed:—

“It is urged that the proof of mere posting of a letter is not presumptive evidence of the receipt thereof by the addressee unless there is also proof that the original has not been returned from the Dead Letter Office.”.

“Illustration (b) S. 16 of the Indian Evidence Act, 1872, is relied on for the purpose and it is urged that the combination of the two facts is required to raise such a presumption. We are quite clear that the illustration only brings that each of these facts is relevant. It cannot be read as indicative that without a combination of these facts any presumption can arise. Indeed that Section with the illustration thereto has nothing to do with the presumption but only with relevance.”.

The employer Society could easily prove that the letter, covered by the certificate of posting, was never received by them by production of the Incoming Letter Register, Sri

Abani Choudhury, who was the Area Manager, at the relevant time, gave evidence as Witness No. 1 for the employer Society. He said in his evidence:

"We maintain register of incoming and outgoing letters. If that register was produced that might have indicated which letter we received on what date."

Shri Shyamsundar Choudhury, who acted as the Inquiring Officer, did not also take the trouble of verifying from the Incoming Letter Register whether the leave application and the medical certificates had been actually received in the office. He said:

"I did not take any step to ascertain the truth or otherwise of the statement made by Basu Mazumdar that is to say that he had sent the application for sick leave accompanied by two medical certificates, which fact was denied by the employer company."

Shri K. C. Mitter, learned advocate for the employer Society, took time until August 13, 1968 on the first day of hearing i.e. on August 8, 1966, so as to enable him to produce the Letter Registers. He did not, however, do that on August 13, 1968. The reason given for non production of the Letter Registers was that they could not be found. The explanation is much too vague and does not carry conviction. I therefore come to the finding that the employer Society could not disprove the case of the workman that, on December 29, 1966, he did send an application for medical leave accompanied by medical certificate. The employer Society failed to prove that they never received the said application.

12. Shri K. C. Mitter, learned advocate for the employer Society, tried to induce me to disbelieve the medical certificate, Ext. 5, and argued that the story of illness was untrue. He drew my attention to a Division Bench decision of the Calcutta High Court in *Rameshwar Lall Agarwala Vs. Ram Swami alias Rama Swami* (54 CWN 812) in which Harries C.J. observed:—

"A medical certificate is hearsay evidence when produced by any person other than the doctor who gave it, and that being so it cannot be accepted to prove the injuries***".

Also, in this connection he drew my attention to that part of the evidence of the workman, Basu Mazumdar, wherein he stated that he was not prepared to examine the doctor who, as he said, gave him the certificate. Shri Mitter may be right in his submission that the workman did not prove illness justifying his long absence by best evidence. But if the application for leave had been refused, on the ground that it was a frivolous application, the genuineness or otherwise of the medical certificate would have been a matter for consideration by me. But the application was not refused. That makes the question of genuineness or otherwise of the case of illness of irrelevant consideration before me.

13. There is another aspect of the matter, which makes me believe that the application for leave, dated December 29, 1966, accompanied by the two medical certificates was received by the employer Society. Ext. 3 is the medical certificate, which relates to a sick leave taken by the workman on December 12, 1966. This medical certificate was called for from the workman by a letter dated December 15, 1966 (Ext. 1). The marking of this medical certificate as an Exhibit was at first objected to by Shri Mitter and the document was therefore marked subject to objection. Later on, in course of his argument, Shri Mitter submitted that he had instruction to state that the employer Society had received Ext. 3. According to the evidence of the workman Basu Mazumdar, both the medical certificates (Exts. 3 and 5) were sent along with the application for leave, dated December 29, 1966. Now, if Ext. 3 was received by the employer Society, there was no reason why the leave application Ext. 2 and the medical certificate in support thereof (Ext. 5), sent under the same cover, were not received by the employer Society. It is noteworthy that it is not the case of the employer Society that Ext. 3 arrived under separate posting or that the certificate of posting related to the medical certificate, Ext. 3 only.

14. But even if I proceed on the basis that the workman had applied for sick leave on December 29, 1966, and that such leave was not expressly refused to him, even then the workman does not come out of his difficulties. This takes me to the third line of Shri Banerjee's argument in this context, namely, that the workman was not guilty of absenteeism because once sick leave was granted that would continue and the workman would be free to rejoin whenever he recovered and produced a fitness certificate. I am not impressed by this argument. Under the service rule [rule 13(II)] sick leave for 10 days only is admissible on full pay. Again, sick leave is allowable only when privilege leave has been exhausted. Thereafter, leave without pay may be granted 'only in very exceptional cases and at the discretion of the Manager'. The language of the rule presupposes that exceptional circumstances have to be brought to the notice of the Manager, by way of an application so as to entitle a workman to leave without pay. Thus, even

if sick leave had been applied for and impliedly granted that could merely take the workman Basu Mazumdar upto January 7, 1967. If, thereafter, he had not applied for further leave and obtained such leave his absence would be unauthorised. Without more, I am not prepared to believe in the testimony of Basu Mazumdar that no action was necessary to be taken after the expiry of the sick leave. Shri Banerjee, learned advocate for the employees' Association, submitted that the usual practice of the employer Society, in cases of overstaying of leave, was to take explanation after the absentee rejoined. Sufficient evidence of this practice is not before me. The plea itself is unbelievable. If a person becomes ill, he may go on sick leave. If he does not come round with the expiry of the sick leave, it is only reasonable that he informs his office and asks for extension of leave. It is not for a workman to apply for a period of sick leave and even after the expiry thereof to go into hybernation and remain absent for as long as he likes and then report after months with a fitness certificate and claim to rejoin. There is no principle of social justice behind this sort of conduct or claim. The rules of the employer Society does not permit this. I therefore find that the workman Basu Mazumdar took unauthorised leave at least from January 6, 1967, if not, from December 29, 1966, and was guilty of the misconduct of absenteeism.

15. It remains for me to dispose of the last branch of Shri Banerjee's argument in this context, namely, that the employer Society acted *mala fide* in dismissing the workman, Basu Mazumdar. This argument again has two prongs of attack. He firstly submitted that in not replying to the leave application, dated December 29, 1966, the employer Society acted *mala fide*. I do not find that the employer company was compelled to give a formal reply to the application for sick leave and therefore reject this argument. The other prong of attack was that by waiting upto February 8, 1967, before deciding to take disciplinary action against the workman Basu Mazumdar, the employer Society acted *mala fide*. A charge of *mala fide* is not to be so easily inferred. It is true that the company waited for some time before sending the chargesheet to the workman. But it is no law that a delinquent must be charged at once and if the employer company delays for a few weeks, a charge of misconduct, even if true, loses its weight because of the delay. I therefore do not find any substance in the last criticism of Shri Banerjee.

16. I next turn to the other charge, namely, the charge of standing as a candidate in the West Bengal Legislative Assembly in the general election held on February 19, 1967, in violation of Rule 7 of the Service Rules and also in violation of the instructions from the Head Office. The following facts are not in dispute:—

- (a) On November 7, 1966, the workman Basu Mazumdar wrote to the Area Manager asking for permission to stand as a candidate for a seat in West Bengal Legislative Assembly (*vide* the last line in item 7 of the bundle of documents collectively marked Ext. A). The workman, Basu Mazumdar, also says that he was verbally permitted by the Area Manager to contest the Election (*vide* Ext. 6 and the evidence of Basu Mazumdar). The Area Manager, Shri Abani Choudhury, however, denied this in his evidence, in the following language:

'It is untrue that I gave verbal permission to Basu Mazumdar to stand in the General Election. Basu Mazumdar asked for such permission from me but I told him that I would not be able to give any such permission and would have to refer the prayer to the Head Office.'

- (b) The written application for permission by the workman Basu Mazumdar was forwarded by the Area Manager to the Head Office. This appears from item 7 of the bundle of documents collectively marked Ext. to the above letter, the Manager of the Head office sent the following reply (item 8 of bundle of documents collectively marked Ext. A) on December 1, 1966:

'Please refer to your letter No. Staff/7568 dated 18th ultimo along with which you had sent an application from Sri P. K. Basu Mazumdar seeking our permission to contest the 1967 General Election. The letter was placed before the Board at its meeting held on 30th November, 1966 and the Board has decided that no employee of the Society should be allowed to fight the Election. You may inform Sri Basu Mazumdar accordingly.'

A copy of the letter was sent to Basu Mazumdar under a covering letter dated December 5, 1966 (item 9 of the bundle of documents collectively marked Ext. A).

These are admitted documents. I am therefore prepared to proceed on the basis that the workman knew of the prohibition contained in the Service Rule and also knew of the refusal of his application seeking permission to stand as a candidate in the general election by his employer. In these circumstances, I am not prepared to believe in the evidence

of the workman that he had been given verbal permission by the Area Manager to contest the election.

17. Shri Banerjee, learned advocate for the Employees' Association argued that Rule 7 of the Service Rules offended Article 173 of the Constitution, which reads:

"173. Qualification for membership of the State Legislature—A person shall not be qualified to be chosen to fill a seat in the Legislature of a State unless he—

- (a) is a citizen of India, and makes and subscribes before some person authorised in that behalf by the Election Commission on oath of affirmation according to the form set out for the purpose in the Third Schedule;
- (b) is, in the case of a seat in the Legislative Assembly, not less than twenty-five years of age and, in the case of a seat in the Legislative Council, not less than thirty years of age; and
- (c) possess such other qualifications as may be prescribed in that behalf by or under any law made by Parliament."

In other words, he submitted, if a person was otherwise qualified under Article 173 of the Constitution, the Service Rules must not disqualify him. This argument is misconceived. Rule 7 of the Service Rules does not disqualify a person. In spite of existence of Rule 7, a man is competent to stand and become a member of the State Legislature if elected. The only sacrifice is that he may lose his job. Thus, Rule 7 does not prescribe additional disqualification for membership and does not offend against Article 173 of the Constitution.

18. Shri Banerjee next argued that Rule 7 offended against the provisions of Section 32 of the Representation of the People Act. The said section reads:—

"Any person may be nominated as a candidate for election to fill a seat if he is qualified to be chosen to fill that seat under the provisions of the Constitution and this Act."

This argument is again misconceived. In spite of existence of Rule 7 of the Service Rules, any person may be nominated as a candidate for election to fill a seat, if he is otherwise qualified under the Constitution and under the Representation of the People Act. If a person violates Rule 7 of the Service Rules, he does not forfeit his seat in Legislature but may have to forfeit his claim to service. Thus Rule 7 of the Service rule does not offend against Section 32 of the Representation of the People Act.

19. Shri Banerjee further argued that the provisions of Rule 7 offended against Section 23 of the Contract Act being opposed to public policy, and should therefore be condemned. This argument is also misconceived. Section 23 lays down:

"The consideration or object of an agreement is lawful, unless—

* * * * *

the Court regards it as immoral, or opposed to public policy."

Shri Banerjee submitted that the Service Rules amounted agreement between the employer and the employees and Rule 7 being opposed to a public policy must be condemned. This argument is also misconceived. Rule 7 does not prevent a person from standing at the election but he has to do that at some sacrifice. He cannot aspire to be an "M.L.A." and at the same time retain his post in the office, if his employer does not want an M.L.A.-cum-clerk and if the Service Rules contain a prohibition.

20. Shri Banerjee fourthly argued that the language of Rule 7 was such as would prevent a person from supporting the election of his political favourite. I am not impressed by this argument. Rule 7 does debar a person from taking part directly in the Election. If this goes to the extent of debarring one from supporting his political favourite, it may be argued that at that extreme point the rule becomes bad. I am, however not called upon to decide upon that point in this reference. The point for consideration is that the rule in so far as it prohibits a person from standing at the election, while in service, is bad. The rule in so far it covers that far, is severable from its extreme meaning and I hold that in that limited meaning the rule does not offend against Section 23 of the Contract Act.

21. Shri Banerjee lastly invited my attention to a Supreme Court decision in *Bombay Labour Union Vs. the Committee for Defence of Working Women's Rights* (AIR 1966 S. C. 942). In that judgment, the Supreme Court had to consider the propriety of a service condition which provided that unmarried women must have to resign on their getting married. In condemning the service condition, Wanchoo J. (as he then was) observed:

"Ordinarily we see no reason for such a rule requiring unmarried women to give up service on marriage, particularly when it is not disputed that no such

rule exists in any other industry. *** It can only be upheld if the respondent shows that there is good and convincing reason why in this particular department of the Pharmaceutical Industry it is necessary to have such a rule. The only reason given for enforcement of this rule in this department of the respondent concern is that the workman have to work in teams in this department and that requires that they should be regular and that this cannot be expected from married women for obvious reasons and there is greater absenteeism among married women than among unmarried women or widows against whom there is no bar of this type.

We are not impressed by its reasons for retaining a rule of this type. The work in this department is not arduous, for the department is concerned with packing, labeling, putting in phials and other works of this kind which is to be done after Pharmaceutical product has been manufactured. Nor do we think that because the work has to be done as a team it cannot be done by a married woman. We also feel that there is nothing to show that married women should necessarily be more likely to be absent than unmarried women or widows. If it is the presence of children which may be said to account for greater absenteeism among married women, that would be so more or less in the case of widows with children also."

I do not think that the above authority is an appropriate authority in the present context. A woman, after being mated in life, may also look after her other avocations in life in spite of mother-hood. She may engage nurse to look after her children or she may take the help of other female relatives to do it at her home. But to be mated to politics or wedded to a political career is a different thing. A Legislature may be a jealous mistress and a political career may consume one's whole time. It is well known that Legislative Assemblies hold their sittings for several months in the year and when Assemblies are in session, it often becomes difficult for a member to divide his loyalty between his office and the Assembly. An office-master cannot possibly prevent a legislator from attending his public duties. He should not do so. If therefore, the employer thinks that he would rather not have an "M.L.A." in his employment and makes a rule to that effect, it cannot be said that he was imposing a condition of service which must necessarily be condemned.

22. It is true that an employer is not free to impose any condition in the matter of employment, when he employs workmen. It is too late in the day now to stress upon the absolute freedom of an employer to impose any condition which he likes on labour. It is always open to industrial adjudication to consider the conditions of employment of labour and to vary them if it is found necessary, unless the employer can justify extraordinary conditions by reasons which may carry conviction. In the present case, however, reasons are obvious, namely, the disinclination of an employer to employ a person who must have divided loyalty between his duties as an officer and his duties as a public worker. I do not therefore think that this rule should be condemned in the interest of social justice. This being my view of the matter I have to hold that the workman P. K. Basu Mazumdar was rightly found guilty on the second count of misconduct as hereinbefore stated.

23. I am now left with remaining point, namely, that enquiry was not properly conducted. On this point, I have to deal with a threefold grievance, namely, (i) that the employer Society began with a foresworn mind to dismiss the workman and that the domestic enquiry was a sham show, (ii) that the Inquiring Officer did not call the witnesses, all employees of the employer Society, although cited by the workman and (iii) that the Inquiring Officer did not take into consideration the cause shown by the workman in writing on February 25, 1967.

24. The first branch of the grievances is based on the language of the employer Society's letter, dated April 5, 1967 to the workman concerned (item 11 of the bundle of documents collectively marked Ext. A). Therein, after stating that no reply to the notice to show cause was received from the workman, although he had taken time so to do, it was stated :

"In the circumstances we will have no alternative but to terminate your service with effect from 28th December, 1966."

The above passage, in the context written, does not reveal a foresworn mind, but merely indicates the consequences of default in showing cause. I, therefore, find no substance in the first branch of the grievances.

25. The other branch of the grievances concerns the failure, on the part of the Inquiring Officer, to call the Area Manager, the Assistant Area Manager and the present Receiving Clerk as witnesses. It is not the case of the workman that at any stage, prior to the date of the enquiry, he had asked the management to produce the Area Manager,

Assistant Area Manager and the present Receiving Clerk, so that he could examine them as witnesses. All that appears is that in his evidence before the Inquiring Officer, the workman concerned stated, "in the present enquiry the Area Manager, the present Receiving Clerk and the Assistant Area Manager should be present". It also appears that the Inquiring Officer asked the workman to produce witnesses but he refused to call any. In his evidence before this tribunal the Inquiring Officer stated:—

"Shri Basu Mazumdar merely mentioned that the Area Manager, Assistant Area Manager and the Receiving Clerk should be present. He did not want me to call them as witnesses. I did not call them as witnesses."

The workman concerned explained the reason why he wanted the presence of the above mentioned three persons. He said in his evidence before this tribunal:

"At the enquiry I asked that the Area Manager, Mr. Abani Choudhury and the Assistant Area Manager, Mr. Harihar Banerjee, be called because they had permitted me to stand at the election."

He also gave the reason why the aforesaid persons could not be called at the enquiry:

"The Area Manager and the Assistant Area Manager could not be produced because they were not present in the office. The Receiving Clerk was also not available because by the time I asked for his presence the office had closed."

How far the Assistant Area Manager was a material witness is doubtful. In the cause, said to have been shown by him (Ext. 6), the workman concerned stated that permission had been given by the Area Manager. In his examination-in-chief, however, the case was improved and he named two persons who had allegedly given him verbal permission, namely, the Area Manager and the Assistant Area Manager. He made it clear in his evidence that he wanted to examine the above two persons solely for the purpose of providing the permission. Now, not to produce persons who are employees of the disciplinary authority and whom the delinquent wants to examine as witnesses on his behalf, so as to prove his defence, normally amounts to denial of opportunity to defend. In the instant case, however, there are certain grounds which detract from the value of this objection. In the first place, no prior intimation had been given to the management to produce the said witnesses. In the second place, the Inquiring Officer possibly did not understand that the workman concerned wanted him to call the said persons as witnesses, because the request was in the form that the said three persons should be presented at the enquiry, not that they should be called as witnesses at the enquiry. That is what the Enquiry Officer said in his evidence. Thirdly, the workman himself said that even if attempt had been made to produce the three persons, on the date of the enquiry, the attempt would not have succeeded because the persons were not available at the office. Lastly, the workmen or the Employees' Association did not express any desire to examine these three persons before this tribunal even. Nevertheless, the Area Manager was produced before this tribunal and he, in his evidence, denied the story that he had granted verbal permission. In the circumstances related above, I do not think that the principle of natural justice was wilfully disregarded because of non-examination of the Area Manager and the Assistant Area Manager at the domestic enquiry.

26. The non-examination of the Receiving Clerk, before this Tribunal, however, stands on a different footing. He was sought to be examined so as to prove that the workman had duly submitted his explanation to the notice to show cause. In this connection, the Employees' Association relied on the receipt, Ext. 7, said to have been granted to the workman, under the receiving rubber stamp of the employer Society. The receipt of this explanation was denied by the employer Society and the genuineness of the receipt was disputed. I am, however, prepared to believe that the explanation (Ext. 6) was duly received by the employer Society. My reasons are as follows:—

(a) The Area Manager who deposed could not categorically state that the receipt, Ext. 7, was a forgery. All that he said was:

"The seals of Ext. 7 and 8 are possibly not the seals of our office. We have not changed the seals of our office and the seals that we use now does not resemble those seals. In my opinion, it is not the seals of our office. I cannot identify the signature of the Receiving Clerk on the seals. The officer who succeeded Basu Mazumdar was both Telephone Operator and the Receiving Clerk."

(b) The Inquiring Officer did not take any step to verify whether such an application had been actually filed. He stated in his evidence:—

"To Court—I was not impressed by the Receipt. The receipt was shown but the receipt was denied by Mr. Chakravorty and therefore I did not rely on

receipt. Mr. Chakravorty was examined before me. I did not think it necessary to verify the genuineness of the receipt by referring to the Incoming Letter Register."

- (c) The person, who was serving as the Receiving Clerk at the material time was not examined so that he could disprove or prove the signature on the Receiving Stamp. I need remind myself in this context that time was taken on the first day of hearing to examine necessary witnesses. But this was not ultimately done.
- (d) The Incoming Letter Register was not produced. It is not disputed that the employer Society has an Incoming Letter Register in which the receipt of the explanation to the show cause would have been noted, had it been filed.

The non-production of the Incoming Letter Register creates a situation in which an adverse inference must be drawn against the employer Society.

- (e) The receipt was shown to the Inquiring Officer but he ignored the same merely because it was disputed.

By withholding material documents and witnesses the Employer Society has created a situation in which an adverse inference must be drawn against them. Then again, the evidence led by the employer Society is insufficient to disprove the receipt. Ext. 7. I, therefore, hold that it has not been disproved that no explanation to the show cause notice was filed by the workman concerned.

27. The non-consideration of the explanation has not, however, prejudiced the workman. The workman personally attended the enquiry and he raised such point as he wanted to argue and the points raised by him have all been noticed by the Inquiring Officer. This makes up for the defect in the enquiry in not considering the cause if shown in writing.

28. In the result, I hold that the dismissal of workman Shri P. K. Basu Mazumdar on charges of misconduct was justified and he is not entitled to any relief.

(Sd.) B. N. BANERJEE,

Presiding Officer.

Dated, August 23, 1968.

[No. 70/19/67/LR.III.]

New Delhi, the 6th September, 1968

S.O. 3356.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Dhanbad, in the industrial dispute between the employers in relation to the Allahabad Bank Limited and their workmen, which was received by the Central Government on the 2nd September, 1968.

BEFORE THE CENTRAL GOVT. INDUSTRIAL TRIBUNAL AT DHANBAD.
Camp:—PATNA.

REFERENCE NO. 69 OF 1967

PARTIES:

Employers in relation to the Allahabad Bank Limited and their Workmen.

PRESENT :

Shri Kamla Sahai, Presiding Officer.

APPEARANCES :

Shri S. C. Shrivastava, Agent of the Patna Branch of the Allahabad Bank.
Appears on behalf of the Bank.

Shri Chandra Bhushan Poddar, General Secretary Bihar State Allahabad Bank employees Union. *Appears on behalf of the Workmen.*

INDUSTRY: Bank.

STATE: Bihar.

Camp Patna the 28th August, 1968.

AWARD

This Reference was made to this Tribunal by the Govt. of India under the Ministry of Labour Order No. 51/17/67-LR.III dated the 15th May 1967. It was then numbered as

Reference 38/67. By the Ministry's Order No. 8/25/67-LRII dated the 16th September, 1967, it was transferred to the Central Govt. Industrial Tribunal at Jabalpur, where it was registered as Reference No. 141/67. By the Ministry's Order No. 8/25/67-LRII dated the 24th November, 1967, it has been retransferred to this Tribunal and it has now been registered as Reference No. 69 of 1967.

The Reference is for adjudication of a dispute which has been described in the Schedule attached to the Order of Reference as follows :

SCHEDULE

Whether the action of the management of the Allahabad Bank Limited, Jamalpur in not designating Sri Ram Surat Rai, Peon, as Peon-cum-daftri after the 27th March, 1966 is justified and legal? If not to what relief Sri Ram Surat Rai is entitled?

The Parties have entered into a compromise. The dispute related to the fact that one Sri Dhanraj, a peon of the Bank, was being paid daftri allowance and was working as daftri upto March 1966, but the allowances was withdrawn thereafter. One Sri Ram Surat Rai is said to have been employed by the Bank as peon-cum-daftri with effect from the 27th March, 1966 but he was not designated as such. The terms of the compromise are mentioned in the compromise petition itself. I consider those terms to be reasonable and I, therefore, accept the compromise. This Reference is disposed of in terms of the compromise which will form a part of my award. This is my award. Let it be submitted to the Central Government under Section 15 of the Industrial Dispute Act.

(Sd.) KAMLA SAHAI,
Presiding Officer.
Central Government Industrial Tribunal,
Dhanbad.

BEFORE THE PRESIDING OFFICER, CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT, DHANBAD

REFERENCE No. 69 of 1967

In the matter of an Industrial Dispute *vide* Government of India, Ministry of Labour and Employment Notification No. S.O. 1821/67 dated 15th May, 1967.

Sri Ram Surat Rai, represented by the Bihar State Allahabad Bank Employees Union, Patna—*Workman*.

Versus

The Allahabad Bank Ltd., 14, India Exchange Place, Calcutta-1.

The parties in the above dispute respectfully submit to this Hon'ble Tribunal that an amicable settlement on the following terms has since been arrived at. The parties therefore pray that the Hon'ble Tribunal may please take cognizance of the settlement and dispose of this reference in terms thereof.

1. That Sri Dhanraj will be transferred as peon-cum-daftri to Kumardhubi or Marhowrah (Bihar) whichever branch is opened earlier and as hitherto will continue to perform the duties of farrash in addition to his duties as peon-cum-daftri.
2. That as from the date Sri Dhanraj is transferred to the new branch Sri Ram Surat Rai will be given special allowance payable to a daftri and will be redesignated as peon-cum-daftri.
3. The parties will bear the respective costs.

Signed at Patna on 28th Day of August, 1968.

For the Allahabad Bank Ltd.,

(Sd.) Illegible.
Agent

Patna Branch.

For Bihar State Allahabad Bank
Employees Union,
(Sd.) Illegible,
General Secretary
[No. 51/17/67/LRIII]

New Delhi, the 7th September 1968

S.O. 3357.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Jabalpur, in the industrial dispute between the employers in relation to the management of the Rajhara and Nandini Mines of the Bhilai Steel Plant and their workmen, which was received by the Central Government on the 2nd September, 1968.

CENTRAL GOVT. INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT,
1600, WRIGHT TOWN, JABALPUR.

August 20, 1968.

PRESENT :

Sri G. C. Agarwala—*Presiding Officer.*

CASE NO. CGIT/LC(R)(151) OF 1967

PARTIES :

Employers in relation to the management of the Rajhara and Nandini Mines of the Bhilai Steel Plant, Bhilai (Distt. Durg)

Vs.

Their workmen represented through

- (1) Khadan Mazdoor Congress, Dalli-Rajhara,
- (2) Samyukta Khadan Mazdoor Sangh. Rajhara
- (3) Steel Workers Union, Rajhara,
- (4) Samyukta Khadan Mazdoor Sangh, Nandini,
- (5) Steel Workers Union, Nandini
- (6) Bhilai Kamgar Sangh &
- (7) Chattishgarh Khadan Mazdoor Union.

APPEARANCES :

For employers—S/Sri S. S. Gill, Personnel Manager and M. R. Raju, Senior Labour Officer.

For workmen—1. S/Sri P. K. Thakur and S. K. Sanyal for Samyukta Khadan Mazdoor Sangh.

2. S/Sri H. S. Gupta and D. V. Chakravarty for Steel Workers Union.

3. S/Sri S. L. Gupta and P. N. Singh for Bhilai Kamgar Sangh.

4. Sri P. K. Sengupta for Khadan Mazdoor Congress.

5. Sri G. H. Gadge for Chattishgarh Khadan Mazdoor Union.

INDUSTRY : Iron Ore and Lime Stone Mine.

DISTRICE : Durg (M.P.).

AWARD

By Notification No. 36/28/67-LRI dated 29th November, 1967, the Ministry of Labour, Employment and Rehabilitation (Department of Labour & Employment), Government of India, referred the following matter of dispute as stated in the schedule to the order of reference, for adjudication:—

Matter of Dispute

1. Whether in view of the application of the recommendations of the Wage Board for Iron and Steel Industry to the said mines, the workers in the mines are entitled to any mining allowance also?
2. Whether the wage structure contained in the recommendations of the Wage Board for Iron and Steel Industry applicable to the Steel Industry with effect from the 1st April, 1965 and which the management have agreed to apply to the said mines from the 1st January, 1967 should be made applicable to the mining establishments from the 1st April, 1965?

2. The Bhilai Steel Plant is a Public Sector unit of the Hindustan Steel Limited. It has captive mines of iron ore in Rajhara and lime stone & dolomite in Nandini. An allowance known as Mining Allowance was being paid to the employees in the mines with effect from 1st August, 1960, rate whereof initially was 10% of the pay. This allowance was being paid not only to the actual employees at the mines but also to certain other categories of staff known as Common Pool Cadre which was common both for the Plant and the Mines. The staff comprised in the Common Cadre, besides officers and clerical,

were those of the Construction, Medical and Public Health, Telecommunication, Education, Security and Fire. Iron & Steel Wage Board announced an interim relief of Rs. 10/- per month on 1st December, 1962. The management extended this benefit of the first interim relief to all the employees both of the Plant as well as Mines including the Common Pool Cadre. This was presumably on the assumption that the recommendations of the Wage Board would be applicable to the mines also as the Wage Board for Iron Ore Mining and Limestone and Dolomite had not come in existence by then. These Wage Boards came subsequently in existence in May, 1963. The Iron & Steel Wage Board announced a second interim relief of Rs. 5/- on 1st August, 1964. The management did not extent this relief to the employees of the mines as the Mining Wage Boards had already been constituted. There was no demand made by the unions at that time for implementation of the second relief obviously because they were expecting better results from the recommendations of Mining Wage Boards. The Mining Wage Boards announced first interim relief on 1st January, 1964 on a sliding scale and the second interim relief was announced on 1st April, 1966. The recommendations of the Iron & Steel Wage Board were published in 1965 and wages were made effective with effect from 1st April, 1965. The recommendations of the Mining Wage Boards took time and were not announced till 21st February, 1967. During this gap of about 23 months there was agitation raised by some of the unions and the management signed an agreement with these unions on 8th and 9th August, 1966 (Ex. E/13), wherein it was agreed that the whole question of determination of the wage structure for the workers employed in the iron ore, Limestone and Dolomite Mines was pending before the Mining Wage Boards and was therefore open. As an interim solution a relief of Rs. 21/- which included Rs. 13/- as second interim relief recommended by Mining Wage Boards and Rs. 8/- as anticipatory increase would be given to the employees with effect from 1st April, 1966. The recommendations of the Mining Wage Boards for Iron Ore, Limestone and Dolomite were less beneficial to the employees as compared to Iron & Steel Industry Wage Board. The Unions, therefore, raised an agitation and a settlement was reached in conciliation on 23rd June, 1967 (Ex. E/7). It was agreed that the wage structure as contained in the recommendations of the Wage Board for Iron & Steel Industry shall be applied to the workers of all the mines of the Bhilai Steel Plant with effect from 1st January, 1967 and that the demand of the unions that the wage structure should be made applicable from 1st April, 1965, the date from which the recommendations of the Iron & Steel Wage Board were applicable to plant employees as also the question of the Mining Allowance which the management had stopped, be referred for adjudication. It may be mentioned that both the Iron ore as also the Limestone and Dolomite Mining Wage Boards recommended that the Boards have no objection if by agreement with the Unions, the management agreed to apply recommendations of Iron & Steel Wage Board with regard to their captive mines with effect from 1st January, 1967. It is on this strength that the management has implemented the wage structure of Iron & Steel Industry to the mines also with effect from 1st January, 1967. Further the recommendations of the Mining Wage Boards are inclusive of all allowances and no provision for the Mining Allowance has been made either in the recommendations of the Mining Wage Boards or in Iron & Steel Industry Wage Board. The management consequently decided to discontinue the Mining Allowance for the employees of the mines. It is, however, being continued with the staff of the Common Pool Cadre and those borne in this cadre and one posted at Rajhara or Nandini are still getting the Mining Allowance. This is because the recommendations of the Wage Board for Iron and Steel Industry were made applicable to the staff of the Common Pool Cadre by reason of an agreement with the recognised Union under M. P. Industrial Relations Act and the recognised union was not agreeable for discontinuance of the allowance to Common Cadre Staff. This reference, therefore, is the result of agreement under Sec. 10(2) I.D. Act between the management and most of the unions stated in the schedule to the order of reference. It may be mentioned that besides the main unions of Nandini and Rajhara, namely Steel Workers Union, Samyukta Khadan Mazdoor Sangh and Khadan Mazdoor Congress, two other unions at a later stage of the proceeding applied to be impleaded as parties and since the question involved was of general importance they were also allowed to file written statement and were heard at the hearing. These unions are Bhilai Kamgar Sangh and Chattishgarh Khadan Mazdoor Union. All the unions have taken the stand that there is no justification to discontinue the benefit of Mining Allowance to the employees of the mines which had become a part of service conditions and which the management could not unilaterally withdraw. It was alleged that the living conditions in Rajhara and Nandini were comparatively difficult and the cost of living was higher. Consequently, the precise genesis for the grant of mining allowance still continues and the workers are entitled to the same allowance. It is contended that there is no prohibition against the continuance of the allowance either in the recommendations of Iron and Steel Wage Board or Iron Ore or Limestone and Dolomite Mining Wage Boards. For the date of the applicability of wage structure on the basis of Iron and Steel Industry Wage Board, it is urged that when the recommendations have been made applicable with effect from 1st April 1965, for Iron and Steel Industry and the management has management has

agreed to extend the benefit of the recommendations for the captive mines, there is no reason to postpone the date of implementation to 1st January 1967. The observations of Iron Ore Limestone and Dolomite Wage Boards to this affect are redundant. In any case, it is urged that there is no justification for discriminating between the actual employees of the mines and the Common Cadre Staff who are still getting the Mining Allowance and also the benefit of the wage structure of Iron and Steel Industry Wage Board from 1st April 1965.

The management on the other hand, contended that the mine employees are entitled only to wages on the basis of recommendations of Iron Ore, Limestone & Dolomite Wage Boards. It is only on the basis of an agreement permitted by these Wage Boards that with regard to captive mines recommendations of Iron & Steel Wage Board can be implemented for the employees of the mines also and that too with effect from 1.1.1967. The Unions had accepted the position that the wage structure for the employees of the mines would be determined by the recommendations of the Mining Wage Boards in the agreement dated 8th & 9th August, 1966 and they cannot have the benefit of the recommendations of Iron & Steel Industry Wage Board without regard to the recommendations of the Mining Wage Boards which are inclusive of all the allowances and therefore there is no occasion left for the continuance of the Mining Allowance to the employees of the mines. As for the Common Cadre Staff, it is contended that the allowance could not be withdrawn unilaterally and the management is taking necessary steps to have it withdrawn.

4. With the terms of reference as they are, adjudication will have to be restricted to what is envisaged by the language used in the reference. It is significant to note that in both the issues under reference the expression used is the Wage Board for Iron & Steel Industry and there is no reference to Iron Ore or Limestone and Dolomite Mining Industry Wage Boards. In the context in which the reference has been made by agreement, it however appears that the unions had been agitating for implementation of Iron & Steel Wage Board *in toto*. The management had accepted this in principle. It only tried to postpone the date by reason of the observations made in the recommendations of the Mining Wage Boards. The Mining Allowance was discontinued on the basis that the recommendations of the Mining Wage Boards were inclusive of all allowances and the dearness allowance was raised so as to cover the extra allowances being paid to workers. After hearing the management's representative more than once and on two different dates, I however, find that there can be no justification to deprive the employees of the mines from the benefit of the Mining Allowance and the wages as recommended by Iron & Steel Wage Board from 1st April, 1965 when the same benefit has not been withdrawn from the Common Cadre Staff. The management was required to furnish figures showing the position of the employees of common cadre staff who are getting the Mining Allowance. These have been furnished on affidavit and which have not been controverted by the unions. The statements would reveal that for Rajhara Mines 848 employees were getting this Allowance on 29th November, 1967 and 743 on 1st July, 1968. The figure included officers, ministerial staff, various categories of construction staff, medical and public health, telecommunication, education and security. The number in Nandini mines was 533 on 29th December, 1967 and 367 on 1st July, 1968. It is indeed anomalous that some employees posted at Rajhara and Nandini who are not actually employed in mining operations should be getting mining allowance, whereas those who really belong and work in the mines and for the benefit of whom the allowance was introduced should be deprived therefrom. The argument advanced on behalf of the management that this is due to peculiar reasons is clearly untenable. The position was created by them thoughtlessly without realising the consequences and the repercussions. The Mining Wage Boards had come in existence when they extended the benefit by agreement with the recognised union to the Common Cadre Staff. The management should have been cautious in agreeing to extend the benefit of the Mining Allowance as also the Wage benefit from 1st April, 1965 to the staff of the Common Pool Cadre posted at Nandini and Rajhara. Be that as it may, the management cannot be permitted to withdraw the benefit of the Mining Allowance and not to implement the recommendations of Iron & Steel Wage Board to the employees of the mines from 1st April, 1965 until they have succeeded in withdrawing the benefit from the staff of the common Pool Cadre. It is needless to enquire into the justifiability or otherwise of the allowance, a point on which the unions gave some oral evidence also nor on the nature of the recommendations of Iron & Steel Wage Board or the Mining Wage Boards prescribing the wage structure to be inclusive or not of all allowance. Any observation made in this connection is likely to adversely affect the determination of the question when the controversy between the management and the unions for withdrawing the Mining Allowance from common cadre staff comes up for decision. It is sufficient to dispose of the reference by observing that until the management had succeeded in

withdrawing the Mining Allowance from the common cadre staff it cannot be permitted to withdraw the same from the employees of the mines. So far so for issue No. 1 under reference.

For issue No. 2, the common cadre staff had been given the benefit with effect from 1st April, 1965. There is no reason why the workers of the mines should also not get the same benefit.

Decision :—

The result therefore is that both the issues under reference are answered in favour of the workers. No order for costs.

(Sd.) G. C. AGARWALA,
Presiding Officer,
[No. 36/28/67-LRI]

S.O. 3358.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Arbitrator in the industrial dispute between the employers in relation to the Union Co-operative Insurance Society Limited and their workmen, represented by the All India Insurance Employees' Association, which was received by the Central Government on the 2nd September, 1968.

BEFORE SHRI SALIM M. MERCHANT, ARBITRATOR

PARTIES:

Employers in relation to the Union Co-operative Insurance Society Limited.

AND

Their Workmen, represented by the All India Insurance Employees' Association.

APPEARANCES:

For the Workmen.—Shri Madan Mohan, Advocate, Supreme Court, with Shri K. S. B. Pillai, Ahri Kothari—All India Insurance Employees' Association.

For the Employers.—Prof. M. G. Kothari, Advocate, with Shri M. V. Desai, Manager, and Shri Ramakrishnan, Chief Administrative Officer.

STATE : All India (Head Office—Bombay).

INDUSTRY : General Insurance.

Bombay, the 31st August 1968

AWARD

By an arbitration agreement under section 10A of the Industrial Disputes Act, 1947, (Act 14 of 1947) dated 24th February, 1967, the Union Co-operative Insurance Society Limited, having its head office at 23, Sir Pherozeshah Mehta Road, Fort, Bombay, (hereinafter referred to as the Society and the All India Insurance Employees' Association (hereinafter referred to as the Association) by its Joint Secretary Shri K. S. B. Pillai representing the workmen agreed to refer the industrial dispute with regard to the specific matters specified in that agreement to my sole arbitration. Thereafter by Order No. F.4(53)/67-LRII, dated 23rd March, 1967 the Government of India, Ministry of Labour, Employment and Rehabilitation, (Department of Labour and Employment), in pursuance of sub-section (3) of section 10A of the Act was pleased to publish the said arbitration agreement.

2. After the reference was made the Association filed its statement of claim dated 4th July, 1967 to which the Society filed its reply on 21st July, 1967. The hearing of the dispute commenced on 3rd September, 1967 when both parties examined a number of witnesses and filed a large number of documents and statements on which they relied. There were also protracted discussions for settlement. Representatives of both parties addressed at length, after which the hearing was concluded on 18th May, 1968. By joint applications of parties the time for making this award has been extended till 31st August, 1968.

3. It is necessary before dealing with the merits of the demands under reference to give a short account of the events leading upto this industrial dispute. In 1960 an industrial dispute between this company and its workmen was referred for adjudication to the Central Government Industrial Tribunal, Bombay, by Government's order of reference dated 7th December, 1960, and the dispute was numbered as Reference No. CGIT-33 of 1960. It appears that on 31st May, 1961 the parties filed before the Industrial Tribunal,

the terms of settlement reached between them in that dispute and an award was made in terms thereof as prayed for by the parties. (Exts. W.2 and W3—Ex.E.4). Under that agreement scales of pay for the subordinate and clerical staff the stenographers and junior officers and dearness allowance on a graduated scale on different pay slabs were agreed to. The then existing scheme of gratuity was substituted by an improved scheme of gratuity and it was further agreed that in matters of disciplinary action and appeals the Society would follow the Government Model Standing orders. Restrictions were placed on the company's right to transfer the existing workmen from the head office to any branch or from any branch to head office and from branch to branch. This consent award continued to govern the pay scales and dearness allowance of the employees of the Society till it was terminated by two months' notice dated 14th January, 1966, given on behalf of the workmen. There was thereafter a charter of demands submitted by the Association on 15th January, 1964 and a settlement was reached which took effect from 1st January, 1964 and was to remain in force till 31st December, 1965 (Ex-W-4). It appears that thereafter on 29th September, 1964, the Association made a demand for increase in dearness allowance and the Society by its letter dated 21st January, 1965 (Ex-W-5) sanctioned a Temporary Special Allowance (T.S.A.) of Rs. 15 per month to all those drawing upto a basic pay of Rs. 300 in any cadre and to all those in cadre IV and below with effect from 1st January, 1965. By a subsequent letter dated 15th March, 1965 (Exhibit W-6) the benefit of T.S.A. was also extended to those in cadre III drawing a basic pay upto Rs. 300 per month also with effect from 1st January, 1965. It appears that the employees of the Society at Calcutta were governed by a separate settlement dated 6th April, 1963 (Exhibit W-7). On 31st January, 1966 the Association submitted a charter of demands on the management on behalf of the workmen employed in Bombay and in the various branch offices of the Society in respect of pay scales, dearness allowance and other conditions of service. Direct negotiations did not result in a settlement and on 3rd October, 1966, the Society sought the intervention of the conciliation machinery, which resulted in a settlement being reached on 24th February, 1967, by which out of the 22 demands, made under the charter 7 demands stated in annexure A hereto were agreed to be referred to my arbitration.

4. The Society has its head office in Bombay and area offices at Ahmedabad, Baroda, Bombay, Nagpur, Poona, Surat, Calcutta Delhi and Madras. It has in all 69 branches throughout India. On 1st January, 1966 the Society employed in all about 800 employees belonging to the categories of subordinate, clerical and other non-executive staff, development staff and managerial and administrative executives. There is controversy as to the number of workmen covered by this reference. According to the Association there are in all 315 workmen covered by this reference. Its stand is that Development Officers numbering 95, Risk—Supervisors numbering 23 and 48 officers of the 2nd and third grade are not workmen covered by this reference but I shall deal with this controversy a little later.

HISTORY OF THE DEVELOPMENT OF THE SOCIETY

5. In pursuance of the decision of the 14th Conference of Registrars of Co-operative Societies an all India Co-operative Planning Committee was constituted by the Government of India. This Committee recognised the need for an all India Co-operative Insurance Society and recommended that an all India Co-operative Fire and General Insurance Society should be organised. Favourable report for the starting of such a Society was made by a Committee appointed in 1944 by the Bombay Provincial Co-operative Conference which was presided over by Sir T. Vijayaraghvachariar. On receipt of this Report a Sub-Committee was appointed by the Bombay Provincial Co-operative Institute to take steps for the formation of an all India Insurance Society. In pursuance thereof this Society was registered in 1949 and formally inaugurated on 18th January, 1951 under the name and style of the All India Co-operative Fire and General Insurance Society Ltd. But for convenience this name was changed to the Union Co-operative Insurance Society Ltd. In the beginning the Society catered only for fire business. In 1954 it started canvassing miscellaneous insurance business and it was only in 1958 that it took up marine business after which it started functioning as a full fledged general insurance co-operative society. The Society has since then progressed from strength to strength and has today three regional offices, five area offices, fifteen divisional offices and 59 branches and sub-branches (Exhibit E-1). It is undoubtedly India's biggest Co-operative Insurance Society. I shall deal in detail with the present financial position of the Society but I should like to state

here that the progress chart Exhibit W-1 shows the following comparative particulars of the Society's position in 1952 and its position in 1966.

| Year | Share Capital | Gross Premium | Nett Premium | Reserve Fund | Nett Profits |
|----------------|---------------|---------------|--------------|--------------|--------------|
| | Rs. | Rs. | Rs. | Rs. | Rs. |
| 1952 | 34,800 | 1,61,426 | 62,366 | 51,874 | 30,848 |
| 1966 | 9,24,200 | 1,57,33,399 | 97,07,487 | 59,07,335 | 12,75,966 |

It will be noticed that in the year 1966 the Society made a nett profit of Rs. 12.75 lakhs which is higher than its existing share capital of Rs. 9.24 lakhs. The Society has pointed out that this net profit was subject to appropriation and had yielded a net profit after appropriation of only Rs. 4,95,116.

6. Shri Kothari the learned Advocate for the Society has laid emphasis on the nature of the business of the Society. He has urged that the co-operative sector has an important place in the economy of the country. In that context he has referred to the observations in the draft Fourth Five Plan Chapter IX on Co-operation where it is observed that co-operative societies must become efficient and self-reliant without leaning on Government and at the same time meeting competition from the private sector. He has urged that the steady growth of the co-operative movement is necessary for national economy and prosperity.

7. Shri Kothari has submitted that a Co-operative Insurance Society is not a profit making concern because its profits are devided among its policy holders. On that basis he has pleaded that comparison with joint stock companies is not justified as the approach and structure of the two is different. He has laid emphasis on the fact that the Co-operative Insurance Societies have to draw business from the rural sector. The Society in its written statement and in the submissions made on its behalf at the hearing has laid emphasis on the legislative control imposed on its working under the Maharashtra Co-Operative Societies Act, 1961 and its Rules. He has referred to Rule 52E under that Act which lays down that such percentages not exceeding 50 per cent as may be deemed proper has to be set aside for payment of profit to policy holders and that under section 66 of that Act, 25 per cent of the nett profits have to be carried to the reserve fund. He has also referred to the penalties prescribed under that Act. The Society in its written statement and at the hearing has laid considerable emphasis on the competition which this Society has to face from the Maharashtra State Co-operative Insurance Society. He has stated that a co-operative general insurance society has to face a triangular competition from (a) the joint stock companies sector (b) from the Life Insurance Corporation (LIC) and (c) from the State Government Co-operatives. He has pointed out that joint stock insurance companies are mighty institutions backed by large interests and have tied business; that the L.I.C. has a monopoly of Government and other semi-Government business and that the L.I.C. makes a condition with all Institutions to which it gives loans that its insurance business would go to the L.I.C.; that the L.I.C. is allowed 15 per cent rebate discount on face value of policies without inter-mediaries; that the L.I.C. has now entered the field of business of co-operative insurance societies and that the L.I.C.'s business is non-tariff. Shri Kothari has urged that all this has resulted in the image with which the co-operative insurance societies were formed getting tarnished. With regard to the competition from the State Government Co-operative Insurance Societies particular emphasis was laid with regard to the loss of business in the sugar industry. At the hearing attention was directed to certain correspondence from the State Government Departments which sought to restrict the placing of business of Government undertakings with this Society. Attention was also drawn to certain letters by which the insurance of goods and of properties under the direct or indirect control of Government was directed to be placed with the L.I.C. which was directed to give 10 per cent to 15 per cent discount on Government business on market rates (Ex. F-8 dated 19th October 1965). The Society also relied upon certain letters from Government placing restrictions upon the business to be placed by Government concerns with this Society (Ex. F-7). The Union has, however relied upon another letter dated 10th May 1967 by which the effect of the letter referred to by the Management was considerably watered down.

8. I have given due consideration to the following points urged on behalf of the Society with regard to the limitations and difficulties in the conduct of business by it—

- (a) that the limit granted by Banks to this Society is low;

- (b) that the Society has to resort to getting bigger policies guaranteed by India Re-Insurance Corporation;
- (c) that the main business of the Society is from agricultural and processing industries, in sugar factories, ground-nut, cotton and other cash crops including the jute industry and with the vagaries in agricultural produce the Society cannot be assured of a regular annual business and stability of premium;
- (d) that the cost of production is high as small business has to be gathered from distant places;
- (e) that regular flow of business from Co-operative Societies is difficult;
- (f) that the ratio of claims is higher (see Ex. E-12);
- (g) that the incidence of net claims has gone up from 15.65 per cent to 44.95 per cent in 1965 and that the claim ratio has been rising every year—See Ex. F-8.

It has also been urged that cotton business is considered hazardous and 60 per cent of the business of the Society is in cotton; that facilities of re-insurance in cotton business are not available and that the nature of the business of the Society is such that expenses are bound to rise; that the optimum level of expansion is being reached.

9. It was, however, admitted that the ratio of expenses to gross premium has been going down since 1963, as per table shown below:—

| Year | Expense ratio incurred | Expense ratio allowable |
|------|------------------------|-------------------------|
| 1961 | 31.92 | 26.12 |
| 1962 | 34.45 | 24.59 |
| 1963 | 28.69 | 23.97 |
| 1964 | 28.13 | 23.93 |
| 1965 | 26.66 | 23.21 |
| 1966 | 27.32 | 22.65 |

10. Considerable emphasis was placed on the limitations on expenses prescribed by section 40C of the Insurance Act and Rules 17E and 17H and sub-rules (a) and (b) and it has been argued that the Society has received warnings from the Controller of Insurance for exceeding the statutory limits (Ex. E-6, E-7, E-8, E-14, E-15, E-21 and E-22). It has been urged that any increase in wages and other remuneration to the workmen and employees of the Society will result in a further contravention of the statutorily laid down expense ratio.

11. But in my opinion, this argument about the difficulties which the Society has to face and the restrictions in the nature of its business and the limitations of its future prosperity can all best be judged by the performance of the company since its inception. This is shown in the progress chart which has been annexed to the printed brochure which the company has issued and which is on file as Ex.W-1. The progress the Society has made since its inception in 1952 till 1966 has been shown in that chart and the best thing that I can do is to reproduce the same below:

Progress Chart

| Year | Share Capital | Gross premium | Net premium | Reserve Fund | Net Profits |
|------|---------------|---------------|-------------|--------------|-------------|
| 1952 | 3,48,000 | 1,61,426 | 62,366 | 51,874 | 30,848 |
| 1953 | 3,75,200 | 2,13,401 | 1,12,864 | 82,683 | 46,166 |
| 1954 | 4,81,800 | 3,27,893 | 1,38,766 | 1,15,276 | 94,580 |
| 1955 | 4,92,400 | 4,01,800 | 2,53,870 | 1,86,973 | 1,02,990 |
| 1956 | 5,15,800 | 6,36,276 | 3,42,443 | 2,52,879 | 1,42,310 |
| 1957 | 5,19,000 | 9,52,982 | 5,33,144 | 3,84,532 | 1,80,724 |
| 1958 | 5,68,500 | 12,77,689 | 8,47,544 | 5,63,169 | 1,85,626 |
| 1959 | 6,49,300 | 20,49,087 | 13,00,549 | 8,18,750 | 2,46,216 |

| 1 | 2 | 3 | 4 | 5 | 6 |
|----------------|----------|------------|-----------|-----------|-----------|
| 1960 | 7,19,500 | 33,30,828 | 20,98,343 | 11,21,960 | 2, 09,679 |
| 1961 | 7,73,200 | 64,71,759 | 27,37,672 | 15,58,975 | 2,58,590 |
| 1962 | 7,86,700 | 91,27,262 | 50,14,080 | 23,06,663 | 4,31,948 |
| 1963 | 7,92,300 | 105,30,650 | 57,00,574 | 31,97,131 | 4,57,168 |
| 1964 | 8,44,100 | 106,43,018 | 63,10,018 | 36,20,728 | 8,84,362 |
| 1965 | 8,97,600 | 129,91,853 | 72,38,085 | 43,15,849 | 10,01,371 |
| 1966 | 9,24,200 | 157,33,399 | 97,07,497 | 59,07,335 | 12,75,966 |

12. The Progress chart shows that the share capital of the Company has increased from 3.48 lakhs in 1952 to Rs. 9.24 lakhs in 1966. The gross premium of the Society has increased from 1.61 lakhs in 1952 to about 1.57 lakhs in 1966. I may pause here and state that at the hearing the figures of the gross premium of the Society during 1967 were available which totalled Rs. 185 lakhs which shows an increase of nearly Rs. 30 lakhs in the figure of the gross premium over the previous year. The net premium has increased from Rs. 62,366 in 1952 to Rs. 97,07,497 in 1966. The reserve fund has increased during that period from Rs. 51,874 to Rs. 59,07,335. The nett profits have increased as pointed out earlier from Rs. 30,848 to Rs. 12,75,966. Even taking the average of the last five years the progress made by the Company has been substantial. In my opinion, by any standards the company must be adjudged to be financially sound and its future prospects appear to be assured in spite of the difficulties in the nature of co-operative insurance business pointed out by Shri Kothari. The amalgamation with the Maharashtra State Co-operative Insurance Society will further strengthen the financial position of the Company and will eliminate the dangers of conflict and competition on which so much emphasis was laid at the hearing. As pointed out by the Chairman of the Board of Directors of the Society at the 19th Annual General meeting held as recently as on 24th June 1968, the nett premium of the Society during the financial year 1967 had exceeded Rs. 1 crore as against Rs. 97 lakhs odd in the previous year. The social control which is to be imposed on the general insurance industry by the Bill which is before Parliament is not expected in any way to hamper the future progress and prosperity of this Society. In fact it will, as suggested by the Chairman in his speech referred to above, help to put the industry and this Society on sound lines.

13. With regard to the question of the expense ratio exceeding the statutory limits as prescribed by section 40C of the Insurance Act and the rules made under it, there are judicial pronouncements on the subject and I do not think that those provisions can come in the way of my awarding the workmen fair wages. In other words, I do not think that the provisions of section 40C and its rules can come in the way of an Industrial Tribunal or an Arbitrator following in certain modified manner the principles of industry-cum-region in fixing wages and other remuneration of the workmen of even a Co-operative General Insurance Society, particularly when its progress has been so rapid, its present financial position so sound and its future prospects as assured as are of this Society. The fact that the Society has been declaring dividends only at 6½ per cent is not because of the smallness of its profits but because of the statutory limitations placed on the rates of dividend.

14. Before dealing with the demands on the merits it is necessary to make certain general observations with regard to the claim under demands 1, 2 and 3 which relate to classification, scales of pay and dearness allowance. Under demand No. 1 which is called classification of employees what the union wants is that all the workmen covered by this reference should be divided into six categories A to F and he paid the scales of pay for those categories as demanded by the Union under demand No. 2.

Demand No. 1.—The first demand under reference is in the following terms:—

Classification of employees :—

“Employees shall be classified into the following categories :—

- A. Sweepers, Peons, Watchmen and Head Peons shall be placed in grade A.
- B. Liftmen, Drivers, etc. shall be placed in grade B.
- C. Record Clerks shall be placed in grade C.
- D. Assistants, including telephone operators, typists, competists and Adrema machine operators shall be placed in grade D.
- E. Senior Assistants, Senior typists and Stenographers shall be placed in grade E.

F. Sectional heads and Assistant Superintendents shall be placed in grade F."

The second demand which is for scales of pay for the workmen of the above grades is as follows :—

Demand No. 2: Scale of Pay :—

Grade A—Rs. 120—5—150—6—192—8—240 (19 years).

Grade B—Rs. 180—6—192—8—240—10—300 (14 years).

Grade C—Rs. 190—8—214—10—264—12—300—15—360 (15 years).

Grade D—Rs. 200—10—260—15—350—20—490 (19 years).

Grade E—Rs. 275—15—350—20—450—25—600 (16 years).

Grade F—Rs. 325—25—400—30—550—40—750 (13 years).

N.B.—These scales of pay are determined as at 1949 base year (100 points of the All India Working Class Consumers' Price Index) after shifting the base from 1939 to 1949."

Demand No. 3 is for Dearness Allowance and it reads as follows:—

"Dearness Allowance shall be paid at the rate of 1 per cent of basic pay for every rise of one point of All India Working Class Consumers' Price Index (1949 base-100 points) upto the basic salary of Rs. 300 and $\frac{1}{4}$ per cent per point for basic salary above Rs. 300 upto Rs. 400 and $\frac{1}{2}$ per cent per point for basic salary above Rs. 400 with a minimum of Rs. 50. The published index figure will be increased by 10 points on account of faulty compilation of index figure for the purpose of calculation of dearness allowance."

Demand No. 4 is for adjustment and is as follows:—

"An employee shall be fitted into the new scale on stage to stage basis."

Demand No. 5 is for special allowances for certain categories of employees. **Demand No. 6** is for House Rent Allowance and for City Compensatory Allowance.

The last demand is for promotion.

15. There has been considerable discussion between the parties on the demand for classification with which I shall deal later.

16. At present the categories of employees mentioned in grades A and B of demand No. 1 are classified as subordinate staff and are in the basic pay scale of Rs. 35—2—55—3—70—5—90 which was the scale of pay agreed to at the hearing of the industrial dispute before the Central Government Industrial Tribunal, Bombay, in settlement of the Industrial Dispute Reference No. 38 of 1960. Under that award the next higher pay scale was Rs. 75—7.50—105—10—225—EB—15—330 in which were placed Assistants, Junior and senior Typists, Telephone Operators and Comptists. The settlement further provided that Typists who at that time were getting an allowance of Rs. 25 per month would continue to get the same. The next higher scale of pay under that settlement was for Stenographers of Rs. 125—10—225—15—330. The next grade was for Junior Officers of Rs. 180—10—200—15—360—20—400. These pay scales are stated in the annexures to the written statements on record W-3=E-4. I may also at this stage state that under that settlement the following rates of dearness allowance were agreed to and award was taken in terms thereof. For the subordinate staff lump sum dearness allowance was fixed at Rs. 47.50 per month. With regard to the Clerical Staff and Junior Officers the following scheme of dearness allowance was agreed to :—

| Basic salary | Dearness Allowance per month |
|---------------------------------------|--|
| Rs. 51 or more but less than Rs. 101 | Rs. 60 |
| Rs. 101 or more but less than Rs. 151 | Rs. 65 |
| Rs. 151 or more but less than Rs. 201 | Rs. 70 |
| Rs. 201 or more but less than Rs. 251 | Rs. 75 |
| Rs. 251 or more but less than Rs. 301 | Rs. 80 |
| Rs. 301 or more | Rs. 85 or 25 % of the basic salary whichever is higher |

Under that settlement the then existing payment of City Allowance of Rs. 10 per month was continued.

17. Thereafter, an increase in the dearness allowance to the subordinate staff of Rs. 10 per month was granted with effect from 1st January, 1964 raising it to Rs. 57.50 per month. Later, a temporary special allowance of Rs. 15 per month was granted with effect from 1st January, 1965 and under agreement dated 24th February, 1967 an interim relief of Rs. 20 was granted with effect from 1st June, 1966. Therefore, the lowest paid subordinate staff in the Society at its Head Office at Bombay today gets a total remuneration per month of Rs. 137.50 made up as follows :—

| | |
|--------------------------|------------|
| Basic pay | Rs. 35.00 |
| D.A. | Rs. 57.50 |
| Temporary Spl. allowance | Rs. 15.00 |
| C.C.A. | Rs. 10.00 |
| Interim relief | Rs. 20.00 |
| Total | Rs. 137.50 |

At the maximum of the scale a member of the subordinate staff gets a total remuneration of Rs. 192.50 made up of Rs. 90 as basic pay and the rest of the items of payment being the same as for a member of the subordinate staff at the start of the scale. I may state that the City Compensatory Allowance of Rs. 10 which was agreed to under the consent award of 1960 is payable in Bombay, Madras, Calcutta and Delhi.

18. Both parties in their respective written statements and at the hearing have dwelt at length with the principles of wage fixation in general and in particular with those applicable to the General Insurance Industry, with the Society laying particular stress on its being a Co-operative unit in the General Insurance sector.

19. I propose first briefly to summarise the submissions made by both parties in their respective Written Statements and thereafter deal with the contentions urged by them at the hearing.

20. The Association has elaborately dealt with the principles of wage fixation in Paras 22 to 51 (pages 10 to 16) of its Written Statement of claim. It has at the outset pointed out that industrial disputes in as many as 26 General Insurance Companies of Bombay (of whom 22 are non-Indian and 4 are Indian) are at present pending before the Central Government Industrial Tribunal at Bombay and some more Companies were expected to be added to that list. It has stated that these Companies whose industrial disputes—and they are all major disputes—are pending before the Central Government Industrial Tribunal employ more than 50 per cent of the total employees in the General Insurance Industry in Bombay region. It has submitted that therefore an industry-wise approach should be adopted in this reference for determining the revision in the existing pay scales and service conditions and that comparison with any individual insurance Company alone may not be adequate and appropriate. It has urged that the Supreme Court has, in a number of cases, held that as far as clerical and subordinate staff of the offices are concerned, the comparison should not be confined to other units of the same industry and it would be quite legitimate to make comparison with the units in other industries as well. It has laid emphasis on the basic principles of wage fixation laid down by various wage fixing authorities, Wage Boards and Committees, Industrial Tribunals, the Hon'ble Supreme Court of India and Economists of repute, and it has in its Written Statement referred extensively to them.

21. The Association has referred to Para 432, the First Central Pay Commission Report in which reference is made to the people of India being of late influenced by the trend towards socialism and to the Resolution adopted by the Lok Sabha on 21st December, 1954 by which it accepted the establishment of a Socialistic pattern of Society as the objective of State Policy. It has also referred to the directive principles of State Policy as laid down in Article 43 of the Constitution of India which says:—

"The State shall endeavour to secure by suitable legislation or economic organisation or in any other way, conditions of work assuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and in particular, the State shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas."

22. The Association has also referred to the wage policy as laid down in the second Five Year Plan which aims at evolving a structure with rising real wage, and which stated that whilst the workers' right to fair wages had been recognised, in practice, it was found difficult to quantify it. The Association in support has relied upon the

observation of the Planning Commission in Para 10 at page 173 (which it has extracted in Para 25 of its written statement) where it is observed that a developing economy calls for a wage policy which ensures rising real wages for the workers and that such a policy can only be based on increase in productivity, accompanied by a firm assurance to labour that an equitable share will accrue to it. It has relied upon the observations of the Third Five Year Plan on the distribution of the National income where, *inter alia*, it was stated:—

“The essential problem here is to reduce the spread between the higher and the lower incomes and to raise the level of the Minimum.”.

In support, the Association has pointed out that the National Income has risen from Rs. 14,140 crores to Rs. 16,630 crores at the end of 1964-65. It has also pointed out that in the year 1965-66 the National Income had dropped to Rs. 15,930 crores, due to unexpected droughts in a number of States, resulting in a heavy fall in agricultural incomes, but it has submitted that as far as industrial production was concerned there had not been much fall in it. It has submitted that the wage trends in the country show that the workers have not received their due share of the increase in the National income. It has argued that in effect there had been a reduction in the real wages of the workers since 1951. The Association has referred to an observation contained in a speech made by Shri Gulzarilal Nanda, the then Minister for Labour and Employment, in the Lok Sabha on 11th April, 1960, when the Hon'ble Minister had observed:—

“Between 1939 and 1947 the Standard of living of the workers declined by 25%.

By 1951, they had just recovered the lost ground. By 1955 the real wages had increased by 13% but since 1956 when the prices started rising their gains to an extent have been wiped out. In short, the real wages of the Workers despite increase in money wages have been all along at the level of 1939 wage level and which has admittedly been described as starvation level of wages.”.

The Association in para 29 of its written statement has urged that in order to achieve their objectives of Planning and State Policy as laid down in the Constitution and adopted by the Lok Sabha, it is necessary that in this Arbitration a progressive attitude should be adopted and wages should be fixed at a level which would have the effect of reducing the ever-growing disparity in wealth—and enable the workmen to get a share in the rising National income.

23. The Association has in Para 30 of its written statement relied upon the following observations made in the Award of Shri P. D. Sawarkar, learned Industrial Tribunal, Bombay, in the dispute between Murphy Radio and Company and its Workmen (Bombay Government Gazette, Part I, dated 18th June, 1959, page 2674 page 9) where he observed :

“It is my opinion that where a concern is in a flourishing condition, its prosperity is assured for the future, that is the time when it should take a step forward towards the goal set before it by Article 43 of the Constitution of India viz. the living wage.....a beginning has got to be made some time and in some units and the more flourishing the unit, the better the opportunity to do so.”.

24. The Association in Para 31 of its written statement has stated that in this society the disparity in the income of the highest paid Officer and the lowest paid employee is very high in as much as the lowest paid employee gets a total salary of Rs. 137.50 as against a total salary of Rs. 2,000/- paid to the Manager of the Society. It has also urged that apart from reducing this disparity considering the further factor of this being a Unit in the Co-operative Sector, the profits made by the Society should also be equitably shared.

25. The Association has urged that the existing level of wages of the workmen of the Society should be improved and revised on the terms of the demand made by the Association in the light of apart from the capacity to pay of the Society, the General Socio-economic development of the country, establishment of the ideal of a Socialistic Society and a Welfare State, a proper implementation of Article 43 of the Constitution of India, increased productivity of labour and progressive changes in the Socio-economic outlook of the Society. The Association has in Para 34 of its written statement stated that in deciding upon the demands, proper note should be taken of the increasing prosperity of this Society taken as a part and parcel of the Country's economy, increasing industrial production, rate of profits on the one hand and growing pauperisation of the working class due to a sharp decline in the real wages despite increase in the productivity of labour, as stated by it earlier in its written statement.

26. In support of these submissions the Association has relied upon and given relevant extracts from the judgment of the Supreme Court in the cases of:—

- (1) Crown Aluminium Works Vs. their Workmen where *inter alia* the cardinal principle which admits of no exceptions was laid down i.e. that no industry has a right to exist unless it is able to pay its workers at least a bare minimum wage.
- (2) M/s. Lipton's Ltd. Vs. their Workmen in which the principle regarding the minimum wage as laid down in the earlier case of Crown Aluminium's case was re-affirmed.
- (3) The Standard Vacuum Refining Co. Vs. Its Workmen where their Lordships observed that it was well-known that the problem of wage structure with which industrial adjudication is concerned in a modern democratic state involves on the intimate-analysis to some extent ethical and social considerations; that the advent of the doctrine of a welfare state is based on notions of progressive social philosophy which have rendered the old doctrine of *laissez faire*, absolute.....the theory of hire and fire, as well as the theory of "supply and demand" which were allowed free scope under the doctrine of *laissez faire* no longer hold the field.....as the Social Conscience of the general community becomes more alive and active, as the welfare policy of the State takes a more dynamic form, as the national economy progresses from stage to stage and as under the growing strength of the Trade Union Movement Collective bargaining enters the field, wage structure ceases to be a purely arithmetical problem. As Mrs. Barbara Wootton has pointed out the social and ethical implications of the arithmatic and economics of wages cannot be ignored in the present age. (The Social Foundation of Wage Policy by Barbara Wootton—Allen and Unwin).

In dealing with wage structure it is usual to divide wages into three broad categories, the basic minimum wage is the bare subsistence wage, above it is the fair wage and beyond the fair wage is the living wage. It would be obvious that the concepts of these wages cannot be defined in definite words, because their contents are elastic and they are bound to vary from time to time and from country to country. Sometimes the said three categories are described as the poverty level, the subsistence level and the comfort or decency level. It would be difficult, and also inexpedient, to attempt the task of giving an adequate precision of these concepts, what is subsistence wage in one country, may be considered to be much below the subsistence level in other country; the same is true about a fair and a living wage; what is fair wage in one country may be treated as the living wage in another country, whereas what may be regarded as the living wage in one country may be more than a fair wage in another. The judgment then proceeds to give the definition given by Mr. Justice Heggins in judgment in 1907 in the *Hairister* case in which he defined the model or criterion by which fairness and reasonableness is to be determined by saying that

"A fair and reasonable wage in the case of an unskilled labourer must be an amount adequate to cover the normal needs of the average employee regarded as human being living in a civilised community."

The Association has also quoted and relied upon the description of the minimum health and comfort level which was taken for determining the standard of living wage for the commonwealth of Australia and which description has been cited in the Report on the Committee of Fair Wages published by the Ministry of Labour, Government of India.

"This represents a slightly higher level than the subsistence providing not only for the material needs of food and body covering, but also shelter, for certain comforts such as clothing sufficient for bodily comforts, and to maintain the worker's instinct of self-respect and decency, some insurance against the more important misfortunes-death disability and good education for the children; some amusement and some expenditure for self-development."

The Union has referred to the Report of the U.P. Labour Enquiry Committee which had classified wages into four categories, poverty level, minimum-subsistence level, the subsistence plus level and the comfort level. According to the Association the third category would approximate to the fair-wage and the fourth to the living wage.

27. The Union has then proceeded to give almost a dissertation on the concept and definition of the minimum fair and the living wage contained in the reports of various wage fixing committees and Commissioners and States in the U.S.A., Australia, Newzealand and has referred (and I think there it is more to the point) to the recommendation in the report of the Committee on Fair Wages of our own country, which contains reference to those various concepts and definitions.

The Union has relied upon the passage in that Committee's Report which deals with what constitutes the minimum wage in which the Committee has *inter alia* observed:—

"We consider that the minimum wage must provide not merely for the bare subsistence of life but for the preservation of the subsistence of the worker. For this purpose, the minimum wage must also provide for some measure of education, Medical requirements and amenities (Para 8—10—pages 7—9 of the Report of the Committee on Fair Wages)."

The Union has submitted that the minimum wage must be paid by an industry irrespective of its capacity to pay and a fair wage must have priority over profits. It has then proceeded to state the requirements on which the minimum wage for the average family should be based, and as to what should constitute the size of the family. It has in support relied upon the Resolution of the 15th Tripartite Indian Labour Conference held at Delhi in 1957, which lays down the norms which were accepted as guide lines for all wage fixing authorities. That Resolution, *inter alia*, laid down the following norms:—

"While accepting that minimum wage was need-based and should ensure the minimum needs of the industrial worker, the following norms were accepted as a guide for all wage fixing authorities including Minimum Wage Committees, Wage Boards, Adjudicators, etc. (i) in calculating the minimum wage a Standard working class family should be taken to comprise of 3 consumption units for one earner, the earnings of women, children and adolescents being disregarded (ii) clothing requirements should be estimated at 72 yards (iii) Minimum food-requirements should be calculated on the basis of Dr. Akroyd's recommendations for an average Indian adult of moderate activity (iv) in estimating house rent for purposes of fixing the minimum wage the rent for the corresponding minimum area provided for in the Government Industrial Housing, Scheme should be taken into consideration (v) Fuel lighting and other miscellaneous items should constitute 20% of the total minimum wage.

28. The Union has also referred to the proviso in the Report that when the wage-fixing authority fixed a minimum wage below the norms recommended by the Conference, it shall be incumbent on it to justify the circumstances which prevented it from adhering to these norms. The Union has urged that in the instant case there was no special circumstance to justify departure from these norms, as the profits earned by the Company are so large that it can well offer to pay a living wage. The Union has submitted that I should adhere to the norms laid down by the Resolution of the Tripartite 15th Labour Conference and base my Award thereon. The Association has referred to the Report of the Middle Class Family Living Survey made by the Central Statistical Organisation, Department of Statistics, Government of India, which states that the average family of a middle class worker in Bombay is 4—8 (Page 16—Vol. I). It has submitted that as the large majority of the workmen under dispute belong to the middle-class the estimate of the requirements by way of food clothing, housing and other amenities of the workmen should be made on the average size of the family of 4.8 units.

29. The Association in Paras 45 to 50 of its Written Statement has sought to give details of the requirements of family of 4.8 units on the norms laid down by the 15th Labour Conference Resolution. It has in that connection referred to Dr. Akroyd's formula of food requirements. I may state that at the hearing vague reference was made to what, according to the Union would be the wages required to satisfy the need-based requirements but there was not any cogent evidence led to support the claim. The claim made by the Union was in excess of calculations made by several Wage Boards and other Wage Fixing Authorities on the basis of the Need-based Formula.

30. The Union in para 5 of its Written statement has urged that the basic pay should represent as large a part of the total emoluments as possible and should be fixed at a point below which the cost of living Index No. is not likely to fall in the near future. On that basis the Union in its written statement Para 52 has stated that it has formulated the Pay Scales which it has demanded on all India Consumer Price Index No. 1949=100 (360 with 1939=100) which according to it is for all practical purposes not likely to go down. It has stated that that was the price level prevailing in 1949 and the Association in formulating the Pay Scales has shifted the Base from 1939 to 1949. It has submitted that the 1949 price level has now been well recognised as the basis for formulating the scales of pay by various Wage fixing Authorities like the Second Pay Commission, National Industrial Tribunal for the Banking Industry and so on; that even in the Insurance Industry a portion of the D.A. has been merged to raise the Basic Pay in a number of General Insurance Companies including the Life Insurance Corporation (hereinafter referred to for brevity's sake as the L.I.C.) under mutual settlements of demands for increased pay scales and D.A. This has also been done by the Jupiter General Insurance Company and the Indian Trade and General Insurance Co. Limited.

who have revised their pay scales at the basis of 1949 price level by merging a portion of the D.A. even though, according to the Union the resultant pay scales are very unsatisfactory and are below the need-based wage calculated on the basis of the 15th Labour Conference. The point that the Union seeks to make is that these Companies had accepted the merger of a portion of the D.A. into the basic pay in relating the pay scale to the 1949 Base Year. The Union has submitted that it would have been justified in asking for the wage structure to be based on the 1960 price-level, but it had refrained from doing so and had contented itself in asking for 1949 as the price level will not in any case go down below that level. It has pointed that even during the short period of 4 months after devaluation prices had gone up by 30%. In support of its contention of rising trend in price levels, it has pointed out that from end of 1962 till December, 1966, the All India Consumer Price Index No. 1949=100 had shot up from 130 to 200 points, this in spite of the fact that according to the Union the compilation of the Index No. was faulty. In terms of the Bombay Working Class Consumer Index figure the Sangh has stated that the figure, taking the Middle Class Family to consist of 4.8 units, the Association has stated that on Index No. 360 with base 1939=100 on the norms of the 15th Labour Conference the need based requirements of a working class family would be:—

| | |
|--------------------------|---|
| Expenditure on Food | Rs. 130.00 |
| " " Clothing | Rs. 10.00 |
| " " by way of Rent | Rs. 30.00 |
| | Rs. 170.00 |
| 20% Miscellaneous | Rs. 34.00 |
| | Rs. 204.00 at Consumer Average Price Index. |

Index No. 1949=100

The Union has argued that on this basis it would have been justified in asking for a Basic Pay of Rs. 200 on cost of Living Index No. 100 but it has been modest in demanding a basic of only Rs. 120 on Index No. 1949=100.

31. The Society in its written statement dated 21st July, 1967 has submitted that in deciding upon the demands under reference the Arbitrator must take into account the totality of the burden involved in the demands, and no single demand should be decided in isolation. It has submitted that the burden that the Company has born during the past must also be viewed in the totality and not in any single head. It has pleaded that the proper thing to do would be to consider the granting of the extra benefit on an overall assumption. The Company has submitted that the various settlements, a statement of which it had annexed to its written statement as 'Annexure 7' and which traces the rise in the totality of the emoluments of the workmen from 1954 to 1965, must be borne in mind, as it had already imposed a heavy financial burden on the Society. It has submitted that the Society was compelled to make these concessions as the Union would not otherwise agree to any reference to adjudication or otherwise, in the absence of such a settlement. As an instance, it has stated that the nature of gratuity scheme in force in the Company, which goes even beyond the scheme of gratuity confirmed by the Supreme Court. The Company has also stressed that as all the demands under reference except that of promotion involves the financial capacity and ability of the Society to meet the demands, the observations in the Report of the Committee on Fair Wages that the relevant criteria should be the capacity of a particular industry in a specific region and as far as possible the same wages should be prescribed for all units in that region and for that purpose the only practical method is to take a fair cross-section of that industry as the basis. It has in that connection submitted that this Society has not the capacity and cannot be compared with the big General Insurance Companies, who have solid and tied business and backing, but its capacity will have to be measured as the capacity of the average unit of that particular industry. It has drawn attention to the fact that the reference covers employees of the Society throughout the country, and it has submitted that the whole pattern of employment is to be classified on regional basis and the pattern of employment and conditions at Bombay alone cannot be applied to the other parts of the country where conditions are easier and cheaper than in the City of Bombay.

32. With regard to demand No. 2 regarding classification of employment, the Society has submitted that classification into 6 categories demanded by the Union, is unjustified. It has submitted that the categories of employees sought to be placed in Grade 'F' are not workmen. It has submitted that classification is a managerial function and cannot be allowed to tamper with any extraneous considerations or union interference and thus cannot be arbitrated upon. It has further submitted that the present classification is the

result of Settlements and Awards of Industrial Tribunal and since there have been no additional classes of employees other than those mentioned in the Settlements and Awards, there is no justification for the present classification being disturbed in adjudication or arbitration. It has submitted that classification once done by settlement is a long term arrangement and cannot be upset by every charter of demands submitted at short intervals, and the Union, was, therefore, stopped from seeking revision of the agreed classification. It has further pleaded that there has been no change of circumstances to justify any changes in the classification, and the classification demanded by the Union was not justified on any principles of job evaluation or job classification. It has submitted that there is no rational or logical basis for putting liftmen or driver in categories different from Peons and that Record Clerks have been properly classified at present. It has further submitted that the classification would involve the financial burden which the Society has no capacity to meet. It has, therefore, submitted that the demand for revision of classification is unjustified, improper and without any valid grounds, and should be rejected.

33. With regard to the next demand for scales of pay, the Company has made lengthy submissions covering pages 18 to 28 of its written statement. It has dwelt at length on the history of how the wages in this Company have come to be increased to the present level from those in 1955 as a result of Settlements, Awards and subsequent increases, certain increased in dearness allowance and Special Temporary allowance, and interim relief, granted from time to time, and it has given particulars of these increases in Annexure 7 of its written statement, to which I have referred earlier. It has submitted that incremental scales of pay having been agreed to in 1961, a period of 6 years was too short within which the Union could be held to be justified for making fresh demands for revision of the existing wage structure. It has submitted that the rise in the cost of living has been adequately set off by the existing dearness allowance, though, it is none of the business of the Society to neutralize it. The Company has further contended that the demands of the employees on an All India Basis cannot be accepted as demanded, as the demand should properly be adjudicated upon on industry-cum-region basis. At pages 20 and 21 of its written statement the Society has stated that the factors that should be kept in view in revising the wage structure are (a) financial capacity of the Society to bear the burden (b) the need for progress and expansion in the near future (c) the elasticity of the demand, and (d) wage-structure prevalent in similar concerns in the region and in assessing the capacity of the industry to pay a fair cross-section of the industry, should be divided into a proper classification and the capacity of the industry should be dealt with class-wise. Developing this point, the learned Advocate for the Company, Shri M. G. Kothari, submitted at the hearing that the units in the General Insurance business should be divided into three classes (1) those with net annual premium of rupees One crore or more; (2) those with a net premium income of Rs. 50 lakhs upto Rupees One crore and those below that level. I may pause here and state that it is admitted that the net premium of the Company for 1967 exceeded Rs. One crore. It has submitted that the burden should not be so heavy as to drive the Company out of its business; that the quantum of wages must be so fixed that the employer is left with a fair return of his capital and is allowed a fair allocation to reserve and depreciation so as to keep the industry in a healthy condition. It has submitted that if the prevalent wages are above the minimum wage level the demand can be allowed only if the present financial capacity as well as the future stability of the Society justifies the imposition of the additional burden. The Company has submitted that the following general principles should be borne in mind in revising the existing wage structure (a) that at the lower salary scales workmen should be paid a minimum wage, due regard having been paid to the capacity of the industry and the cost of living as manifested in the Consumer Price Index prevailing at the relevant time, (b) that the capacity of the industry to bear the additional burden must be borne in mind if the worker is already getting a wage above the poverty level, (c) that in assessing the capacity of the industry to pay not only the actual financial state, but also its compulsive necessity to progress and expand in the future must be taken into consideration (d) that only where the industry has few or no rivals and industry-wise comparison cannot be made, the regional aspect assumes greater importance (e) if there is no special feature peculiar to the industry under consideration e.g. statutory limitations or benefits not obtaining in other industries either smaller or comparable or economic factors peculiar to that industry, due weight should be given to these 5 principles. After referring to the provisions of Section 40(c) of the Insurance Act and Rule 17E of the Insurance Rules and citing various observations made at Labour Conferences and in speeches of Labour Ministers and Directors of the Reserve Bank, it has formulated the following conclusions, (1) that the rise in the money income of the employees has been much greater than the increase in the Society's net premium income. (2) Even after eliminating the fact of the rise in prices, the net average increase in earnings has been in excess of 100% or may be more. (3) that the rise in the National Product at constant prices between 1951 and 1955 has been only 68.75%, and that any person whose real income keeps pace with the increase in material income must be

considered very lucky. (4) that the employees of the Society have done exceptionally well, as compared to Government employees the improvement has been more than four times. It has lastly submitted that there has been no corresponding increases in the earlier productivity and more employees are now required for the same work which was earlier done by fewer employees.

34. With regard to this last point, I may straight-away say that there has been no cogent evidence led to justify this plea. I am satisfied that if at present the Society is required to employ more employees, it is because its business has expanded considerably. Even if for other extraneous reasons which were pleaded at the hearing the Company has at present more hands than it needs, then there are other remedies open to it, and it cannot be argued that for that reason it must held that the labour productivity, which in any case, is extremely difficult to assess in respect of workmen mostly doing clerical type of work of the workmen in this Society is low or poor.

35. I may say that all these the theoretical arguments cannot stand in the way when it is found that the total remuneration of the workmen of this Company are lower than what admittedly comparable concerns in the General Insurance Company are paying at present. In fact, at the hearing it was conceded that there was a case for an increase in the quantum of dearness allowance paid to the workmen of this Company. In view of this admission, all these critical submissions made by the Company, both in its written statement and at the hearing on its behalf by its learned Advocate, Professor M. G. Kothari, would not appear to be of a determinative character. I may state that in deciding the revision in the wage-structure, which I am awarding, I have taken into consideration the financial implications of my award, and I have fixed the revised wage-structure and the other monetary benefits under demand only after bearing in mind the financial burden that would be imposed thereby upon the Company and the capacity of the Society to bear that burden.

36. The Company has next urged that this industry has no possibility of passing on a part of the whole increase in the cost of production to the consumer through higher prices. It has urged that in a competitive market when an industry is passing through an inflationary phase, it is impossible to pass the burden of higher wages on to the consumer by increasing the prices, and that it is not advisable that the impact of higher wages should under-mine the profits of the industry, as this would effect its finances adversely. It has urged that the spiralling of wages would naturally lead the Society to substitute more automatic processes thus reducing the scope of employment and also involving greater capital investment per unit of capacity.

37. I am not impressed by these contentions of the Management. The Society has been urging that its wage burden has been steadily growing since 1961, but that has not in any way impeded its progress, which, as I have pointed out earlier, has rapidly improved. In my opinion, there is always scope in a big industrial undertaking like this, where the turn over of business is in tune of over a crore of rupees for economy in Administration and other methods of neutralizing the burden of the increase in wages provided the increases in wages are on well-accepted reasonable principles of what comparable units in the same industries are paying their workmen. There is a great future before the General Insurance Industry and with the new changes which are about to be introduced, I am quite confident the future of the General Insurance business particularly on the Co-operative Insurance side has a bright and prosperous future and that the fears of the Company that if its employees are granted what are fair and reasonable wages, it would adversely effect the efficiency of the progress of this unit or necessarily make it increase its rates of premia, is unjustified.

38. The Company has opposed application of the need-based wage formula. I cannot accept its contention that this formula can only apply where an initial determination of wages has to be made and not where a revision of an existing wage structure is sought. In my opinion, the need-based formula can as well be applied for revision of an existing wage structure as in formulating a wage structure at the first instance. It is not as if attempts have not been made to apply the need-based formula. The Iron and Steel Wage Board as also the Coal Wage Board has tried to apply the formula. Calculations made by the Union on the need-based formula are, in my opinion, excessively high and as adequate material was not placed before me for a calculation of the need-based wage in all its aspects, it is not possible to entertain the Union's demand for determining the wage structure in this Society on the basis of that formula. The Union's conclusions were based on assumptions and suppositions which are not justified; its conclusions were based on materials which were never satisfactorily proved to be correct. The values which it has put on the various norms on the 1949-100 Consumer Price Index was not even sought to be proved or supported by any cogent evidence.

39. The Company has next urged that the interest of the community as a whole should be considered in determining the wage structure. This argument is based on the observations of the Royal Commission on Labour to which the Fair Wages Committee has referred and which is to the effect that it is not obviously possible to raise the standard of living of sections of industrial workers by employers, which would involve a diminution of the national income which is available for the other sections of the Community. It would be a tall order to say that if the wage structure in this single unit of the Co-operative Sector of the General Insurance Industry is improved and revised to bring it to the level of what other General Insurance Companies comparable to it are paying, or as near them as the facts and circumstances of the case justify, it would result in the diminution of the national income that is available for other sections of the Community. What the Royal Commission on Labour had in mind as also the Committee on Fair Wages, was situation where industry which had an important stake in the country was before the Tribunal or the Wage Fixing Machinery.

40. The Company has dwelt at length on the capacity of the industry to pay. It has first of all argued that the elasticity of the demand for the product of the industry must be borne in mind. In my view, there is, no doubt, that the Co-operative sector in the General Insurance Industry has a bright future before it. More and more emphasis is being laid for promoting Co-operative institutions particularly in the rural areas. With the emphasis on greater aid and attention to agricultural products and with the growing consciousness of the benefit of Insurance, there is little doubt that the Co-operative Sector of the General Insurance business has many fresh fields in which it can profitably venture. The favourable reports of the various Committees which have enquired into the future of the Co-operative Insurance, justify the assumption that this sector of the General Insurance Industry has a prosperous future ahead of it. The working of the Society since its inception and during the last 5 years also supports this assumption. There is, therefore, in my opinion, no substance in the Company's plea that there is no scope for the elasticity of the demand for General Insurance in the Co-operative field. It may be that the Co-operative Industry may not attract such big tied business as some of the bigger General Insurance Companies have attracted from certain big industrial units, but it has a vast untapped field of activity in the Rural area and with the methods of agriculture undergoing modernization and with the awakening that has reached the fields of the farmers, there is no reason for taking a pessimistic view of the progress of the General Insurance in the Co-operative Sector.

41. I am inclined to think that the Company's fears of the competition it faces from the Life Insurance Corporation, the Private Sector Insurance Companies having tied business and the various State Government Co-operative Society is exaggerated and not borne out by the progress in its business the Society has made during recent years. I am quite conscious that the cost of procurement of fluctuating and uncertain small retail type of business is proportionately higher but these are the first faltering steps and though the present efforts may not in some types of Insurance business yield any marginal profit, the future even in this field is bright and with experience the industry will be able to make even the retail Insurance business yield it a handsome profit.

42. The Company at page 33 of its written statement has urged that it cannot be compared with the units in the General Insurance Industry comparable to it because the peculiarity of the industry or business carried out by the Co-operative Insurance Sector which has its own statutory and other liabilities accorded by its by-laws which go to effect its ability to pay. I am afraid this plea has no real basis. The Company itself at the hearing adopted the standard of the quantum of net annual premia as a basis of classification of the various units forming the General Insurance Industry. As I have indicated earlier, even on the adoption of this basis, it would be fair and reasonable in applying the industry-cum-region formula to fix the wages in this Society on the basis of the wages which other comparable units in the General Insurance Sector are paying. Even after giving some concessions to the Society on the ground of the peculiarities of the Co-operative nature of its constitutions, the wages at present paid by the Society are comparably so low that an upward revision is certainly called for and cannot be refused to the workmen.

43. In my opinion, after a careful consideration of the submissions made by representatives of both parties and after considering the documentary evidence on record, I am satisfied that this Society cannot justifiably oppose the existing wage structure in the Society being so revised as to give its workmen atleast the lower level of fair wages. I have not the least doubt that the demands as formulated by the Union are excessive, unreasonable and cannot possibly be granted. But at the same time both the basic wage scales for the various categories of its workmen and the existing rates of dearness allowance are so low that a revision in both is called for. I am satisfied that the rise in the cost of living which has taken place since the consent terms were recorded in the earlier Industrial dispute Reference C.G.I.T. 38 of 1960, has been so high and the neutralisation provided by the existing rates of dearness allowance is so inadequate that it must be held that it constitutes change in circumstances, justifying revision in both the basic wage pay scales and the rate of dearness allowance at present in force.

44. The Company at page 33 of its written statement has on the question of prevailing rates of wages submitted that the criterion of comparison of prevailing rates in other units of the industry should be applied with all the caution in view of the peculiarities of the nature of the business carried on by the Co-operative Insurance Society. It has submitted that it cannot be compared in any way with other General Insurers in the field because the private sector insurers have generally tied business, less policies, higher premiums and low expense ratio, while the public sector insurers like the Life Insurance Corporation has the support and solid monopoly business from all the public sector projects and Corporations, Government sponsored organizations and of other industrial and business institutions of the country in whom the Government is financially interested in any way. It has submitted that the nature of the business transacted by the Society is also peculiar in itself and wholly distinguishable from the business of other General Insurers. It has submitted that the distinctive characteristics and features of a Co-operative General Insurer like the Society are so significant and dominant that they do not attempt of any comparison with its counter-parts in the private and public concerns and any comparison done would be void of all validity.

45. I cannot accept this contention. Though this is a unit in the Co-operative Sector of the General Insurance business, this Society also transacts all the general Insurance business which other General Insurance Companies transact. Though, belonging to the Co-operative Sector, this is basically a unit of the General Insurance Industry and in the absence of other Co-operative Insurance Society of the size and magnitude of this Company, comparison with other units in the General Insurance business of a comparable size and annual business transacted on the basis of the premium income, in my opinion, be a fair basis of comparison, and I propose to do so, allowing, however, a certain margin for the Company, considering that the Society also functions in the agricultural field where, undoubtedly, at present atleast, the cost of collecting business is higher than it is in the Cities.

46. The Company has next contended that another peculiar feature regarding the prevailing rates of wages in the General Insurance business is that the prevailing rates of wages are union administered wage determinations and not the result of a genuine collective bargaining. The contention of the Company be best stated in its own words.

"The *modus operandi* of this bargaining has been that the Union selects and submits its charter of demand not on all the industries at the same time or one after the other or wields the organized strength of Unionism throughout the industry to dominate and obtain the terms and conditions of employment from units individually which at times the economy of the respective units does not warrant. This type of settlement which is divorced from economic realities is put as a precedent before the other employers whose turn then it is to bargain the same under pressurism tactics. It is by this way of raising certain settlements from some insurers who happen to agree on terms and conditions of the Union because of the various extraneous reasons unrelated to the economics or the wage determination that a trend is artificially created in the labour market. The Hon. Arbitrator will be pleased to appreciate that this is the nature of the prevailing pattern of wage structure in the Insurance Industry. On consideration of the danger beset in accepting such a pattern as a criteria for wage determination would be obvious. The logical consequences are that the expenses go on amounting beyond the capacity of the industry and ultimately the units are closed down. It is, therefore, submitted that looking at the nature of the Unionist wage determination provided in the Insurance Industry, the Hon. Arbitrator would not give any serious consideration to the prevalent rates of wages as may be called in aid by the Union in its support. The Committee on the fair wages was also of the view, that while prevailing rates of wages fixed as a result of proper collective bargaining will bear a close approximation for the present, to fair wages and should therefore, be taken into account in fixing the fair wages, the same cannot be said of prevailing wages resulting from unequal bargaining."

47. There is no doubt that there are comparatively small number of Awards of Industrial Tribunals in the industrial disputes in the General Insurance Industry. It is also true that there are a large number of settlements reached by the Association with other General Insurance Units. There is, in my opinion, some justification that wages fixed under Union settlements are sometimes misleading. In that sense, the award on merits of an Industrial Tribunal or some other responsible wage fixing authorities would form a better guidance. But as the basis of comparison is the prevailing rates of wages in other units of industry, it will, in the ultimate analysis, make not much difference whether the prevailing rates of wages have been fixed by agreements and settlements or by awards of an Industrial Tribunals or Courts. As far as I am aware, most of the awards in industrial disputes in the General Insurance Industry have adopted the pay scales fixed as a result of Union-Management settlements. Though the opinion

expressed by the Society is not without some justification, there can be little doubt that workmen in a Co-operative Insurance Society can well seek comparison with wages fixed under agreements which have been in force and have been subsisting for sometime. Some of these agreements are on an All India basis. In my opinion, a more proper thing would be to look at the prevailing wage agreements in units of the General Insurance Industry comparable with this Company. In revising the wage-structure in this Company, I propose to apply the region-cum-industry principle for determining what should be the awarded wage structure for the Society, bearing in mind the following additional factors (1) that this is a unit in the Co-operative field of the General Insurance Industry and on that account to make an allowance in its favour (2) that this is an all India Undertaking and (3) that it operates also in the Agricultural area where the cost of products is naturally a little higher and (4) that the wage-structure of various units in the General Insurance Industry is pending adjudication before a Central Government Industrial Tribunal (5) the large number of workmen employed and consequently higher financial burden.

Classification :

48. The entire claim for re-classification of the employees into six categories (A to F) has been dealt with in two short paragraphs—paragraphs 18 and 19—of the written statement of claim of the Association dated 4th July, 1967.

49. I have earlier reproduced the demand for classification of employees, and scales of pay demanded by the Union.

50. The Association in para 18 of its written statement of claim has generally sought to support its demand for re-classification on the ground that the present classification of employees in the Society is not scientific, the employees are not placed in the grades appropriate to the nature of duties performed by them; that employees who are required to perform the duties which call for higher skill, educational qualification and experience are not given any higher status of scales of pay; that proper recognition is not given to the skill and efficiency shown by the employees in relation to the job performed by them, and therefore re-classification of the employees into different categories and pay scales as demanded was necessary. In para 19 of its written statement of claim, the Association has stated that in seeking the re-classification which it has claimed it has taken into account the existing classification of employees in the Insurance Industry as a whole and has also taken into account the nature of work performed by each category of employees. The Association has claimed that its, "demand is based on a very scientific and proper job evaluation of each category of workmen. The re-classification of the employees on the above basis will introduce uniformity and standardisation in the entire Insurance Industry in this behalf."

51. The Society in its written statement in reply, dealing with the demand for classification of employees, has submitted that the category F which is for "Sectional Heads" and "Assistant Superintendents" and for whom the Association had claimed the basic pay scale of Rs. 325-25-400-30-550-40-750 in 13 years, does not lie within the purview of the industrial arbitration in as much as they are not workmen. It has, more over, submitted that classification is a managerial function and cannot be allowed to be tampered with by any extraneous considerations or Union interference, and there cannot be any arbitration regarding a managerial function. Without prejudice the Society has submitted that the existing classification is the result of settlements and award of the Central Government Industrial Tribunal, Bombay, and since it has no additional classes of employees other than those mentioned in the said settlement and award, there is absolutely no justification whatsoever on any principle of industrial arbitration to disturb the existing classification, and that classification once done by settlement is a long term agreement and it cannot be upset with every charter of demand. It has submitted that the Association is estopped from seeking revision of the existing classification. Moreover, according to the Society, there had been no change of circumstances after 1961 to justify any change in classification. It has further submitted that the classification claimed by the Association is in no way justified on any principles of job evaluation or job classification. On the merits, it has submitted that there is no justification for putting liftmen, and drivers in a category different from peons and watchmen etc. The whole written statement of the Society on this demand is a denial of this claim. The Society has lastly submitted that the classification claimed would impose so heavy a burden on the Society that it would be beyond its capacity to bear it. It has, therefore, submitted that the demand for revision of classification, of employees being unjust, improper and without any valid grounds, the same should be rejected.

52. At the hearing both parties have led oral evidence and have also filed a number of documents in support of their respective contentions.

53. The existing categories are those under the 1961 settlement Award (Ex. W-3—Ex. E-4), and I give below the existing categories with their scales of pay as applicable to the employees at the Head Office.

Subordinate Staff

(including Peons, Sweepers Havalgars, Liftmen and Motor Driver)

Rs. 35-2-55-3-70-5-90

Havalgar gets a special allowance of Rs. 15/- per month, and the only one motor driver at Bombay who was started at a higher basic pay than the start of the scale of pay for subordinate staff gets a Driving Allowance of Rs. 20/- per month.

Clerical Staff

Assistants, Junior and Senior Typists, Telephone Operators and Comptists.

Rs. 75-7-50-105-10-225-EB-15-330 under the 1961 Award those typists who were getting a typists allowance of Rs. 25/- per month are to continue to get it.

Stenographers:

Junior Officers

Rs. 125-10-225-15-330

Rs. 180-10-200-15-360-20-400

54. I shall first deal with the demanded categories A and B all of whom at present are in the category of sub-staff and whose Basic Pay at present is Rs. 35—2—55—3—70—5—90 in the Head Office and the Delhi, Calcutta and Madras Offices, and Rs. 35—2—55—3—70—5—80 in the Branches. Under the demand for re-classification of the existing categories of the subordinate staff the Association wants Drivers and Liftmen to be placed in Category "B" in the demanded grade of Rs. 180—6—192—8—240—10—300 and wants the remaining existing categories of the subordinate staff *viz.*, Sweepers, Peons and Watchmen and Head Peons to be retained in the lowest category A but wants their basic pay scale to be revised to Rs. 120—5—150—6—192—8—240.

55. I may state that it was made clear by the Association at the hearing that by the demand for classification it has made it does not desire that the Arbitrator should classify the existing employees into the six categories A to F which it has claimed but that the classification should be made on the basis of the nature of the duties of the categories into the six corresponding grades of pay A to F which it has demanded.

56. In my opinion, the demand for separate grades of pay for Liftmen and Drivers is justified, as far as it concerns the employees in the Society's Offices at Bombay, Calcutta, Madras and Delhi. The Head Office of the Society is at Bombay. The subordinate staff consisting of Sweepers, Peons, including Head Peons and Watchmen, do manual work and are, therefore, the lowest paid among the staff in most offices. Drivers of cars and vehicles are normally paid higher scales of pay because their work involves some technical skill and is more responsible than those who do purely manual work. In fact this Society itself recognises this in actual practice, because it started its only car driver in Bombay at a higher starting pay in the existing subordinate staff's scale and also pays at least to its driver in the Bombay office a special driving allowance of Rs. 20/- per month. In the scale of pay at present in force in most General Insurance Companies in Bombay motor car drivers are paid higher scales of basic pay than the office peons, sweepers who are included in the subordinate staff (see Exs. W-9 and 9B). However, in the mofussil area it is not uncommon to have drivers in the peons grade in which the Company's drivers are at present placed. With the improved scale of pay and rates of dearness allowance which I am granting to the subordinate staff, I think there is no justification for a separate scale of pay for drivers in the mofussils. As regards liftmen also, I am of the opinion that their duties cannot be classified as being only manual. The operating of a lift requires certain amount of skill and is a responsible job and the liftman in my opinion is entitled to and is generally paid a higher scale of pay than a peon. I, therefore, hold that the demand of the Association for a separate higher scale of pay for both categories of Liftmen and Drivers, is justified, to be awarded a higher scale than that awarded to Peons and a lower scale than that to be awarded to the drivers. When dealing with demand No. 1 under reference I am only dealing with the demand for classification and not with the demand for the proper scale for them with which I shall deal later.

57. The next demand is that Record Clerks should be placed in Category "C". In support of this demand the Association has in para 18 of its written statement of claim stated as follows:—

"This category of employees shall include those employees who are performing the duties of maintaining files of correspondence, policies, endorsements and others records. This category is a promotional category from amongst the employees in "A" and "B" above only."

It is admitted that at present there is no category of Record Clerk either in the Head Office or in the Branches. The Association at the hearing has confined this claim for five posts of Record Clerks in the Head Office for the Five Peons who it claims are doing the work of Record Clerks and who it claims are entitled to the Record Clerk's scale of basic pay of Rs. 190—8—214—10—264—12—300. The Society has opposed the demand for creation of a new category of the Record Clerk and it has stated that the filing work on which emphasis was mainly laid for promoting the five peons of the Head Office to this grade is attended to by one of the Junior Clerks known as Assistants in each of the Departments. The Company has stated that the real motive in making this demand is to lift these 5 peons of the Head Office into a higher scale of pay. Shri Desai, the General Manager of the Society and Shri Modak, the Area General Manager have stated that there is not enough work to create a separate cadre of Record Clerks and I am inclined to accept this plea. On this particular statement they were not put any questions in cross-examination.

58. The Association has mainly sought to justify the claim on the ground that there are five Peons in the Head Office who are required to do filing and pasting work, and who have been provided with table and chairs. The Association has argued that these 5 peons are not doing manual work of Peons but are doing work slightly of a clerical nature of maintaining records—and should be designated as Record Clerks and paid in the grade of Rs. 180—300.

59. Considerable oral evidence was led on this demand at the hearing. The Union has examined the 5 peons of the Head Office at Bombay for whom it has made this claim (WW-15 to 19) as to the nature of the work done by them and has also filed several documents in support. Whilst the Union has laid stress on the sorting and filing work done by these peons—three of them viz., Rathod (WW-17), Darekar (WW-18) and Lotankar (WW-19) had virtually to admit in cross-examination that their main work is not of filing but of pasting of slips etc. which according to the Company is mainly manual work. It was also admitted that some of these peons are doing the working of dusting tables and furniture. There are circulars issued by the Company (Ex. W-44, E-47 and E-48) to which reference was made at the hearing. Ex. W-44 circular dated 6th July 1966 issued by the Company refers to filing and pasting work being required to be done by one peon in each Department. This circular is later in date than the circulars E-47 and E-48 relied upon by the Company. There is also a Havaladar in the office by name Shri S. K. Bana, but the Union does not claim the Record Clerk's grade for him. The Union has relied on certain answers given in cross-examination by the Company's witness which prove that one of these 5 peons, Lotankar (WW-18) files cheques.

60. On a careful consideration of the oral and documentary evidence on record and the submissions made by the parties representatives in their addresses, I am satisfied that these 5 peons in the Head Office are mainly doing work of sorting, filing and pasting and that the work they do requires greater intelligence and responsibility than the work the other peons are required to do. I am satisfied that tables and chairs have been supplied to them more to facilitate their work than because they are accepted as doing the work of Record Clerks or recognised as doing work of a clerical nature. I am, however, not satisfied that a case has been made out by the Association for a separate category of Record Clerks or for a separate grade of pay for that category much less in the scale of pay demanded by the Union. In my opinion, the ends of justice would be more than met if these 5 peons are granted a special allowance of Rs. 25 per month with effect from 1st January 1966.

61. I shall now deal with the classification in categories D, E and F claimed by the Union. It is admitted that the categories in grade 'D', Assistants, including Telephone Operators, Typists, Comptists and Adrema Machine Operators are workmen and are covered by the reference. Before dealing with the categories claimed in Grade E and F, it is necessary to give the present classification of the various grades as on 1st January 1966 as which shown in the Society's statement (Ex. E-9) is as follows:—

| <i>Cadre</i> | <i>Scales of Basic Pay</i> |
|---|-------------------------------|
| II(a). Heads of Departments at Head Office and Senior Area Managers | Rs. 350-25-500-EB-30-800. |
| II(b). Junior Area Managers and Divisional Managers | Rs. 250-15-440-EB-20-600. |
| III. Senior Officers, Assistant Superintendents, Divisional Managers and Senior Branch Managers | Rs. 225-15-300-EB-20-540. |
| IV. Junior Officers, Senior Branch Managers and Sectional Heads | Rs. 180-10-200-15-360-20-400. |

Head Office Staff

| | |
|-------------------------|------------------------------------|
| Stenographers | Rs. 125-10-225-15-330. |
| Assistants | Rs. 75-7 1/2-105-10-225-EB-15-330. |
| Sub-staff | Rs. 35-2-55-3-70-5-90. |

Branch Staff.

| | |
|-----------------------------|---------------------------------|
| Junior Officers | Rs. 150-10-200-EB-15-330. |
| Senior Assistants | Rs. 125-10-225-EB-15-330. |
| Junior Assistants | Rs. 65-5-75-71/2-105-EB-10-205. |
| Subordinate Staff | Rs. 35-2-55-3-70-5-80. |

62. There are special grades for Field and Development Officers (Senior and Junior) linked with the premium income they secure, but it is not necessary to deal in detail with them as they are admittedly not covered by the reference and the Association has not claimed the benefit of the Award herein for them. In fact the Association's position is that even in computing the financial burden of the Award these employees of the Society should be excluded. The Management has, however, contended and I think with justification that when under this award those who are admittedly workmen and those who are held to be workmen, and get the benefit of increased scales of pay and higher rates of dearness allowance, the Society cannot possibly not grant these Field and Development and other non-workmen employees e.g. its Officers, some corresponding or proportionate increase in their total emoluments. The Society submits that not to do so would result in these classes of employees on whom the Society so largely depends for the securing of new business and the continuance of existing business feeling aggrieved and dissatisfied. I think there is considerable substance in this stand of the management. Therefore, even though I do not include these Field and Development Officers and certain other categories of employees to be workman, I cannot possibly overlook the fact that as prudent employers the management would not be able to deny to its officers some increase in their total emoluments when the majority of its employees, who are workmen as defined by section 2(S) of the Industrial Disputes Act 1947 and who are covered by this reference get substantial benefits and that too with retrospective effect from 1st January 1966. The discretion as to whether to grant any improvement or not and if so how much and to which of these non-workmen section of its employees would be a matter entirely within the discretion of the management. The only contention I am answering by these remarks is that when computing the burden of the financial implication of the award the fact that the Society as a prudent employer would be required to grant some improvement in the salary and or dearness allowance and or other service conditions of its non-workmen section of employees cannot be over-looked, and must be borne in mind.

63. To proceed the Association's stand is that the categories mentioned in cadre II(a) and II(b) in the Society's aforesaid statement Ex. E-9 are not covered by this reference, as they are not workmen but officers and the Association has not raised any industrial dispute on their behalf. Thus the existing categories of (a) Heads of Departments and Senior Area Managers and (b) Junior Area Managers and Divisional Managers are admittedly not covered by the demand for classification or any of the other demands made by the Association in this reference—they being admittedly not workmen. The Association, however, claims that the categories in Grade III of the Society's statement (Ex. E-9) viz. Senior Officer, Assistant Superintendent, Divisional Managers and Senior Branch Managers are workmen covered by this reference as they are doing partly supervisory and partly clerical duties. The Association claims for them Grade F of Rs. 325—25—400—30—550—40—750 which it has claimed for Sectional Heads and Assistant Superintendents who it claims under the demand for classification, should be placed in the F category. The Association has further claimed that there are some in the grade of Junior Officers and Assistants who perform similar duties as Grade III Officers and for them also it claims Grade F.

64. The Society contends that the workmen covered by Grade III of its statement (Ex. E-9) i.e., Senior Officers, Assistant Superintendents, Divisional Managers and Senior Branch Managers are not workmen. The Union claims that they are workmen for 2 reasons:—

- Their duties are not supervisory much less managerial.
- The evidence on record shows that their duties are partly clerical and partly supervisory and therefore even if their total emoluments exceed Rs. 500/- that would not matter and they must be held to be workmen.

The Union has contended that Junior Officers in this Society are mainly performing the duties of Senior Clerks, except one or two of them who are performing duties of employees in Cadre III and for them the Association claims the pay scale of Grade F. The Association has claimed that in Grade E it would include such of the Assistants as are designated by the Company as Senior Assistants or other Assistants performing similar duties.

65. Before I proceed further, it is necessary to state that till 1961, even at the Head Office there were two categories of Assistants. It appears that till 1959 they were called Senior Assistants and Assistants, when their designation was changed to Senior Assistants and Junior Assistants and this continued till in 1961 under the consent terms of the Award in the Industrial Dispute CGIT-38 of 1960 (Ex. W-3), on the demand of the then Union by consent there was at the Head Office at Bombay an amalgamation of the Senior and Junior Assistants grade into the common grade of Assistants of Rs. 75—7½—105—10—225—EB—15—330. The amalgamated common scale of pay for Assistants was later extended to the Calcutta, Madras, and Delhi area offices. It is urged on behalf of the Association that the nature of the duties of Assistants continued to be the same after merger as they were prior to the merger. However, at the Branches the two grades of Junior and Senior Assistants were continued and they are at present, as stated above, divided into the following two grades:

Junior Assistants : Rs. 65—5—75—7½—105—EB—10—205.

Senior Assistants : Rs. 125—10—225—EB—15—330.

66. It is worthy of note that the scale for stenographer at the Head Office is Rs. 125—10—225—15—330, the same as for the Senior Assistants in the Branches. It may also be noted that the scale of pay for Junior Officers at the Head Office is Rs. 180—10—200—15—360—20—400 (Ex. W-3—Ex. E-4 and Ex. E-9), and at the Branches Rs. 150—10—200—EB—15—330.

67. The Association, however, now wants two separate grades of pay for Senior Assistants and Assistants in all Branches, Area and Head Offices of the Society. The Union has submitted the designations continued to be Senior Assistants and Assistants—Junior Assistants being called Assistants—In other words, its contention is that in spite of the consent Award in 1961 in Reference No. CGIT-38 of 1960 (Ex. W-3) the same old pattern of classification into two grades of Assistants was in practice continued and therefore the consent Award in Reference No. 38 of 1960 cannot operate as a bar to the Award of two grades of pay of Assistants. The Association has stated that even after the consent Award of 1960, appointments have been made in the designation of Assistants and Senior Assistants.

68. On behalf of the Society it is, however, contended that the existing wage structure having been agreed to for Bombay by the consent Award of 1961 (Ex. W-3) and in Calcutta in 1963 (Ex. W-7), the Association was not justified in asking for a change; that having agreed to a common scale for Assistants it could not now ask for two grades of pay of Senior and Junior Assistants. It has also contended that on the merits there is no justification for changing the existing system at the Head Office and at the Area Offices at Delhi, Calcutta and Madras, where the system of a single grade for Assistants had worked quite satisfactorily.

69. The Association's case is that even today in the Head Office at Bombay there are workmen who are designated as Assistants and Senior Assistants. Its further contention is that in the Head Office at Bombay there has come into existence a system of sections in several Departments and that there are certain number of employees who have come to be designated as Sectional Heads. Considerable evidence both oral and documentary has come to be led.

70. I shall first consider the question of whether in fact a category of Senior Assistants was created in the Head Office and exists there. The second question will be whether if it is held that there is no category of Senior Assistants in existence, the Union's demand for two categories of Assistants—Junior and Senior Assistants is justified on the merits.

71. I shall now deal with the first of these two questions *viz.*, whether there is at present a category of Senior Assistants existing in the Company.

72. With regard to the oral evidence on record the Union has examined in all 19 witnesses—all employees in its Head Office. In fact a noticeable feature of the manner in which this case was conducted by the Association was the special emphasis laid on the claims of the Head Office staff, whose claims it was quite clear it was its special concern to promote. Of the 19 witnesses examined five. G. V. Lotankar, T. N. Chawan, S. B. Darekar, M. M. Poojari and M. S. Rathod are all Peons for whom a claim was made for

them to be appointed as Record Clerks. There were Four Assistants viz. V. N. Balvalii S. M. Shah, M. J. Bangera, and R. J. Manjrekar (formerly a Typist) Of the remaining 10 were:—

1. R. V. Joshi, Junior Officer.
2. B. A. Shriyan, Assistant Fire Superintendent.
3. D. T. Salian, Assistant Fire Superintendent.
4. V. K. Jani, Assistant Fire Superintendent.
5. W. B. Parulekar, Assistant Area Manager.
6. R. M. Chatrapati, Assistant Area Manager.
7. V. C. Shah, Area Accountant.
8. L. D. Patel, Accountant for Branches.
9. P. K. Vakharia, Assistant Superintendent (Claims Department)
10. P. J. Buch—Union claims his designation is Senior Assistant in Accounts Department.

73. For these employees the Union has claimed higher grades and scales of pay in the demanded categories and grades of pay.

74. Now, the existing set up in the Head Office is as shown in the chart Ex.E-50, which is annexed to the affidavit of Shri J. V. Desai, Manager of the Society. This chart according to the Society shows the classification Departmentwise. Shri Desai solely does the distribution of the work in the Head Office as well as the Bombay Area Offices and he has distributed the work in the Head Office and the Area Distribution Offices as shown in the chart Ex.E-50 and there are no other posts created and assigned to others except as shown in the chart Ex. E-50. According to Shri Desai, as stated in his affidavit, the staff working at Bombay has been divided into various department viz., Fire, Accident, Accident Claims, Marine, Accounts and Administration and each department is looked after and controlled by a Head of the Department, in addition to his own Secretarial and Treaty work. In none of the Departments according to Shri Desai's affidavit (Ex. E-50) is the work so much as to necessitate the creation of Section Heads, because the Departmental Heads are themselves formulating policy matters, co-ordinating and distributing the work and assessing the daily workload of each employee and controlling all persons working under them.

75. The Union has filed a chart Ex.W-26 showing what according to it is the existing set up in the Head Office. That chart is materially different from the chart Ex.E-50 filed by the Society. Considerable oral evidence was led by both sides in support of their respective charts. I am satisfied that the chart of the Company Ex. E-50 shows correctly the set up at the Bombay office. I have in dealing later with the claim for Sectional Heads indicated in some detail the nature of the evidence on which the Union has relied. The Union has relied very heavily on the suggestions made by Shri Bapat (E-52). Its case is that these suggestions were accepted and brought into force after they were made. The Society's case is that those suggestions were never accepted by the management and never came into force and I accept this contention, for the reasons stated later in this Award when discussing the claim for Sectional Heads. In my opinion the Union has failed to prove the existence of the category of Senior Assistant in the Head Office or at the Delhi, Calcutta and Madras offices. The category of Senior Assistant admittedly exists in the Branches as it was awarded under the consent terms of the Award in Reference No. CGIT-38 of 1960. With regard to the Head office and the offices at Delhi, Calcutta, and Madras, the demand, in the earlier adjudication Ref. CGIT-38 of 1960, was for a consolidated scale of pay for Assistants and under the consent award a consolidated wage scale of Rs. 75—330 was awarded for Assistants. If the post of Senior Assistant was in existence or was continued in the Head Office and at Calcutta, Madras and Delhi offices, surely a pay scale would have been prescribed for that category other than the pay scale for the Assistant, as was done in the Branches. In this connection the answers in cross-examination by Shri P. J. Buch who claimed to be Senior Assistant in the Accounts Department are not natural and do not support the Union's case that a category of Senior Assistants existed in the Head Office or area offices at Bombay and Delhi, Calcutta and Madras. If there were a category of Senior Assistant surely all appointments to it would be by written orders specifying the scales of pay of the new scale. Mere mention of Senior Assistant in certain memos or stray circulars or even in statements filed at the hearing would not create the category of Senior Assistant after one specific grade with a long scale of pay of Rs. 75—74—105—10—225—EB—15—330 was by agreement and consent awarded in the earlier dispute for Assistants, and the then existing two scales of pay for Assistants of two grades were done away with. The case of the Union that there are existing categories of Senior Assistants and Sectional Heads, is in my opinion clearly not

established. Clearly, several of the vouchers on which the Union sought to rely, contain endorsements which it is difficult to accept were made when the vouchers were originally submitted. On this point, I accept the evidence of the officers of the Company who have stated that these endorsements were not there when they put their signatures or initials on them.

76. My finding, therefore, is that there is no category of Senior Assistant in force in the Company's Head Office. On the evidence on record I am inclined to think that the Union's chart Ex.W-26 cannot be relied upon. As admitted by witness (WW-1) for the Union, Shri P. G. Buch, he had prepared Ex. W-26 on the basis of information collected by him from different employees. It may be that certain designations and sections have been mentioned in the Company's chart, annexed to the affidavit of the General Manager, and in certain statements filed by the Society and certain memos and circulars but those are general designations and have not been used in the sense in which the Union seeks to interpret them. In my opinion, the evidence of the officers of the Company on the existing set up in the Company is more disinterested and can be treated as more reliable than what the Union's witnesses have stated, in their natural anxiety to support the claims made. I do not want to say anything more but on consideration of the evidence both oral and documentary on record, I am more than satisfied that the Union's case that there is an existing category of Senior Assistants at the Head Office at Bombay and at the Delhi, Calcutta and Madras offices is not established.

77. However, I am satisfied that a category of Senior Assistants should be created in the Head Office and at Calcutta, Delhi and Madras. There is already a category of Senior Assistant in the Branches, and there might as well be one in the Head Office and at Delhi, Calcutta and Madras. In several General Insurance Companies in Bombay (See Ex. W-9 series) there are two categories of Assistants and Senior Assistants. I would, therefore, award a category for Senior Assistants.

78. I shall now deal with the question whether there are sections and the category of sectional heads. It is admitted that cadre 1 and 2 employees of the Society are not workmen and the Union does not claim them to be workmen. There is, however, a dispute with regard to grade III employees some of whom the Union claims are workmen. In the existing set up, above the Assistants the next grade is that of Junior Officers and above them is the grade of Assistant Superintendents and Senior Officers. The management's contention is that in law and fact, the Senior Officers in grade III are not covered by this reference, as they are not workmen. The Union has in support of its contention that some of the senior officers are workmen led the evidence of Shri Parulekar (WW-2) Shri R. M. Chhatrapati, Assistant Area Manager (WW-3) Shri B. K. Jani, Assistant Fire Superintendent (WW-6) Shri B. A. Shriyan, Assistant Fire Superintendent (WW-4), Shri L. D. Patel, Accountant for Branches (WW-9), Shri V. C. Shah (WW-11) and Shri R. K. Vakharia, Assistant Fire Superintendent, Claims Department (WW-10) who are at present all in cadre III and who the Union say are workmen and are covered by this reference. It is admitted that the existing grade III is from Rs. 225 to Rs. 540. These witnesses have been examined in great detail with regard to their duties. The Union's case is that these persons are doing supervisory-cum-clerical work and are, therefore, workmen, while the Company says that they are officers who are discharging managerial functions. Both parties have relied upon the judgment of the Supreme Court in the case of the Reserve Bank of India (1965 II LLJ 175). On a careful consideration of the evidence on record I am more than satisfied that these cadre III officers are not workmen.

79. I am impressed by the Company's contention that these officers were never treated as workmen by the Union when this dispute was raised. In support the Company has pointed out that to all these cadre III employees no interim relief under the settlement of 24-3-1967 (Ex. E-6) was paid and this has been admitted by them in their evidence. Admittedly they were also, barring one of two, not members of the Union. It is well settled law that whether a particular class of employees are workmen as defined by section 2(s) of the Industrial Disputes Act would depend upon the nature of the duties they perform and not on their designation. The management is right when it argues that the duties are those of the cadre and not of the individual. In fact no individual classification is sought by the Union. There is substance in the management's contention that the Union has failed to discharge the onus which it was on it to establish from the nature of the duties performed by these cadre III employees that they were workmen. The Company's contention that they are performing administrative duties is borne out by the statement in the affidavit of Shri Parulekar WW-2 when in paragraph 4 he states:

"I have to perform duties of an administrative nature."

It is also not without significance that the majority of these employees are drawing more than Rs. 500/- per month and that probably is the reason why they did not call themselves workmen or claim the interim relief which was paid only to those who were included as

being covered by the settlement of 24-2-1967. It is also necessary to see what posts these cadre III employees held before they were transferred to the Head Office. For instance Shri Parulekar (WW-2) has admitted that before being appointed to the present post he was Assistant Area Manager, Poona, and thereafter Officer-in-charge of the Nagpur Branch. It is admitted that this post of Area Manager is the highest in a Branch, and it would be difficult to hold that the Area Manager can be deemed to be a workman. Shri R. N. Chhatrapati has admitted that he was Branch Manager at Lucknow and thereafter Branch Manager Rajkot and thereafter Divisional Manager, Bangalore. Shri Jani, a witness in this case, was formerly a Divisional Manager and thereafter Branch Manager at Surat, Nagpur and at Lucknow. L. D. Patel was formerly Area Accountant at Calcutta and V. C. Shah was Area Accountant at Calcutta and then at Nagpur. Though it is true that designation does not decide whether an employee is an officer or a workman, there is little doubt that these employees of the Society who are in cadre III who are admittedly in a higher grade than junior officers are senior officers shouldering managerial and development duties. As is clear from the evidence of Shri J. V. Desai, General Manager of the Society cadre III officers have power to sign policies and cheques on behalf of the company. Two of the Union's witnesses Jani and Chhatrapati have admitted this in their evidence. I am satisfied that even the employees in cadre III whom the Union claims are workman are really discharging and sharing managerial responsibilities. Surely the work of underwriting is work of a managerial nature. In fact it is clear that the majority of them do not in effect claim to be workman inasmuch as (a) they have not claimed to be governed by the 1961 award of the Central Government Industrial Tribunal in Reference No. CGIT-38 of 1960, (b) they have not claimed the benefits of the settlements of 1963-64 and (c) they have not claimed any overtime payment for working extra hours. This would show that they themselves do not consider that they are workmen. I am, therefore, not satisfied that the union has made out a case that even some cadre III employees are workmen. In my opinion, they have all along enjoyed separate status. Their duties and responsibilities are of officers and they have in the past never regarded themselves as workmen. In the result the Union's claim for Assistant Superintendents being workmen and being placed in grade F scale of pay fails and is rejected.

80. I shall next come to the question whether there are any Sectional Heads in the Company and whether the demand of the Union that they should be placed in Grade F in the pay scale of Rs. 325-25-400-30-550-40-750 is justified. This demand is confined to the head office. The Union's case is that at present there are both sections and section heads in existence in the Company. The Company has denied the existence of both. Now, the admitted position of the Union is that there is no evidence since when the sections and the sectional heads were established and this was conceded by Shri Madan Mohan in his address to me on the 24th March 1968. The whole case of the Union rests on certain memos and endorsements on certain circulars. The Union has heavily relied upon the memos which are on record as exhibits W-64 and W-65 which were addressed to two employees—Shri D. P. Vyas and K. J. Mehta granting them one increment but the point on which they rely is that copies of both these memos signed by the General Manager were endorsed to the salary section. Similarly, the Union relies upon exhibits W-39, W-41 and W-53 the first two of which are memos dated 3rd March 1966 signed by the General Manager and they deal with the subject of procedure for acceptance of risks and to a certain circular No. ADM 0852 dated 19th January 1966. The circulars filed bear a typed endorsement "copy to (i) Fire/Accident/Marine Superintendents and (2) sectional heads in Bombay area office" and exhibit W-39 has the name of "Shri Balvally" written in ink in handwriting below the above endorsement. Similarly exhibit W-41 which is a copy of the same memo dated 3rd March 1966 bears a similar endorsement and the writing below the endorsement "copy to sectional heads in Bombay area office" mentions the name of Shri R. V. Joshi written in ink in handwriting. Now, exhibit W-53 is an increment memo dated 3rd January 1967 addressed to Shri P. J. Buch, Senior Assistant, Bombay in which he was informed that he had been granted one increment with effect from 1st January 1967 for the year 1967. This has also been signed on behalf of the General Manager by Shri Ramakrishnan, Chief Administrative Officer and it bears an endorsement in type "CC to salaries section". Another piece of evidence on which the Unions claim for for the existence of sections and sectional heads is based is a note prepared by Shri D. V. Bapat, the Chief Accountant, exhibit E-52. Now this note is dated 5th March 1966 and is signed by Shri D. V. Bapat who was at that time the head of the accounts department in which he has recorded that with a view to have better co-ordination and co-operation between the staff members and the accounts department and plan the work of accounts, two meeting of the staff members were called by him. He has mentioned the names of the five members of the staff from the Accounts Department who had attended these meetings. They were B. K. Joshi, L. D. Patel, V. C. Shah, P. L. Buch and V. S. Raju, Shri Bapat has stated in that note that it was suggested that the following distribution of work of the Accounts Department would be more conducive if the employees named above are

allowed to look after the work (1) Head Office Accounts—B.K. Joshi (2) Cash section—V. C. Joshi, (3) Miscellaneous Section—Agents Section—P. J. Buch and Bombay Area Accounts—V. S. Raju. Shri Bapat in his note has specifically stated as follows:—

It was made clear that the above suggestion would be referred to the higher authority and on their approval further steps would be taken.

He has then referred to the second meeting when the following suggestions emerged. That the General Manager be requested to give all the orders of the Accounts Department direct to the Chief Accountant and all the departmental heads may also be required to deal directly with the Chief Accountant. The Chief Accountant should give all instructions directly to the staff member concerned. The five staff members will see that all orders of the General Manager and enquiries and suggestions of departmental heads are followed in word and spirit. He also suggested that the whole of the staff should sit together so that their work can be co-ordinated properly. In the concluding paragraph Shri Bapat in submitting this Note to the General Manager, has stated as follows:—

"I, therefore, request your good self to consider the above suggestions and extend me your hearty co-operation by sending me your directions to the above proposal. The staff has assured that because of the above distribution of work nobody will claim any rise in emoluments or so. I now await your orders."

Exhibit E-52 which has been produced by the management bears an endorsement under the initials of the Manager stating "Please discuss" and on the body of this note the remark "File" has been made by him. Now, both Shri J. V. Desai the General Manager and Shri D. V. Bapat the head of the accounts department have given evidence on this document and their evidence is that this was a mere proposal made by Shri Bapat to the General Manager who did not agree with it and therefore made the remark "File". The Union's case on the other hand is that after the two meetings with the members of the staff the proposals made by Shri Bapat were put into effect and from that time onwards separate sections and sectional heads came to be created in the accounts department. This has been deposed to by the Union's witnesses WW-1 Shri Buch, WW-9 Shri L. D. Patel who is the Accountant for Branches and WW-11 Shri V. C. Shah, Area Accountant. The Union has relied upon the statement made by Shri Bapat in his evidence. "I made a sort of division of labour in my department". The division of work in the head office as it exists at present is as stated in the chart prepared by the Company which is annexure to the affidavit of the General Manager and it is on record as exhibit E-50. The Union on the other hand has filed a chart which is on record as exhibit W-26. In support of the claim that there were certain sectional heads the Union has very heavily relied upon certain endorsements made on leave applications by these persons whom it says are sectional heads. The leave applications are on record as exhibits E-33 to E-46 exhibits E-54 to E-57 and exhibits E-58 to E-67. Now, the only thing on which the Union has relied in support of the endorsement on the relevant applications is that they bear the initials of those whom it claims are sectional heads, its case being that before the leave applications were signed by the heads of the departments they were processed by these so-called sectional heads. The Company's case on the other hand is that these initials have been subsequently put on these leave applications of the staff and sub-staff in order to create evidence of the sectional heads exercising duties which they feel would justify their claim to the post of sectional heads having been created in the office. The management's officers in their evidence have stated that the initials on the leave applications were not there when they were sanctioned by them. The Union has also relied upon certain statements made by Shri Bapat in his second affidavit in which he stated that the disputed initials were there when he signed the leave applications. Again they have relied on certain answers given in cross-examination by Shri Bapat in which he stated that during his meetings with the workmen there was a suggestion that leave applications may be routed through them. Advantage is also taken of a statement made by Shri Bapat in cross-examination that he had made the second affidavit on his own the accuracy of which has been seriously doubted by the Union. Certain inferences are also sought to be drawn from certain general answers given by Shri Bapat in cross-examination. On behalf of the management on the other hand it is urged that the question whether the posts of sectional heads were created and whether they are entitled to grade F should be examined from three points of view (a) whether there is in actual existence work of sectional heads (b) Is the story of their creation in 1965 as submitted by the Union correct and (c) the justifiability or otherwise of the demand on its merits. The management's case briefly summarised is as follows:—That the normal channel of promotion to Assistants is to become Junior Officers and then go to grade F while the Union's attempt was to put an Assistant into the rank of a senior officer by the evidence of fellow assistants. It has submitted that there is no rational basis for the story put forward by the Union which any prudent man would accept. The management has stated that the evidence of EW-1 Shri Bapat along with exhibit E-52 clearly establishes beyond doubt that posts of sectional heads were never created and that departmental heads deal with all responsible work. Analysing the

evidence on record Shri Kothari for the management has urged that the case that there are different sections in different departments had not been alleged in the pleadings of the union and that it was sought to be made out only in the evidence. The Union has relied upon the pleading at paragraph 18 page 9 of the written statement which I have extracted earlier where it is stated—"Sectional heads shall be placed in Grade F. These employees will be performing supervisory duties.". Shri Kothari has argued that nowhere is there any mention in the pleadings of the Union of grade III officers i.e. senior officers but the union claimed that they were workmen and the whole story of sectional heads is an after thought and a manoeuvre after the reference was made; that sectional heads can only be justified on the strength of the work and no data and figures have been produced in support of the claim. He has argued that it is not shown for how many employees a supervisor would be needed and the Union has only concentrated on promoting the interests of a few chosen employees at the head office and that the majority of the workmen in the area offices and branch offices have been neglected and not a word has been said for them. In support he has pointed out that Shri J. V. Desai the General Manager in his evidence has stated that the structure of the Society does not require so-called sections and that in none of the departments the work is so much as to necessitate the creation of sections. He has stated that there has been no cross-examination of Shri J. V. Desai on this point and that the management's positive evidence about the quantum of work etc., has gone unchallenged. The Union also has not shown the basis of work on which the creation of sections would be justified.

81. It does appear to me that the number of employees in each department at the head office and in the area offices in Bombay is so small that it would be very surprising and unnatural if in addition to the junior and senior officers a further category of sectional heads would be considered necessary. For instance the re-insurance department has only one Assistant in the section and if the Union's claim is to be justified there would have to be a separate section with sectional head in that department. For instance in the fire department there is only one comptist in addition to the typist and it would be impracticable and unreasonable to accept a claim for that department to be created into a separate section. I think the improbability of the story of the Union can be judged on this basis. In the re-insurance section in the accounts department there is only one Assistant writing the entire re-insurance business. The chart of the company shows that there are many departments which comprise of only three employees e.g. Bombay ledger in accounts and treasury in accounts. Several of these sections are shown to have only one or two typists. A detailed examination as made at the hearing by the management of the various departments in my opinion shows the unjustifiability of the demand for sectional heads. Though the Union has sought to claim that the correct distribution of work is as is contained in its chart exhibit W-26 many of its witnesses have admitted that the statement in the company's chart Exhibit E-52 with regard to the departments was accurate and correct. For instance Shriyan WW-6 in his examination in chief deposed to the Union's chart but in cross-examination he admitted that the position in the Company's chart with regard to his department i.e. Fire Department was also correct. Shri A. J. Bangera WW-8 in—cross-examination (page 2, 11th line) has stated that V. K. Jani and Shri D. T. Salian are the heads of underwriting section but Ex. W-26 which is the Union's chart however shows only one employee in the underwriting section. On the evidence I am satisfied that there is no category of Sectional Heads and the Union's demand for them is not made out nor justified.

82. Before dealing with the demands for pay scales and rates of dearness allowance, it is necessary to state that the Association by its letter dated 2nd July 1968 has drawn my attention to the fact that after the hearing on 18th May, 1968 the Society had granted increases in their gross salaries to the General Manager of Rs. 575 per month, to the Superintendent in the Accident Department of Rs. 180 per month to the Chief Administrative Officer of Rs. 240, per month, to the Superintendent Accident Claim of Rs. 240 per month and to the Marine Superintendent and the Chief Accountant of Rs. 160 per month each. The company in reply to this has stated that these increases were justified because the total salary paid to these officers in these Society were, compared to the salaries paid to like officers in other companies, much lower. I do not think that the increases granted to these six officers amounting in all to Rs. 1555 per month, can be considered as excessive or unjustified, or be considered as suggesting that the company has got the financial capacity to pay its workmen higher salaries and wages than they would otherwise get on the merits or in the financial capacity of the Society.

83. My attention has also been drawn by the Association to the speech of the Chairman of the Society Shri Jyotindra L. Mehta at the 19th annual general meeting of the Society held on 24th June 1968 where the Chairman had stated:

"I am glad to inform you that it has been mutually agreed to amalgamate both the Union Co-operative Insurance Society and the Maharashtra State Co-operative Insurance Society into one unit. Consequential changes will have

to be made in the bye-laws of both the Societies. In view of this amalgamation scheme the amendment to our bye-laws which have been submitted to the Registrar for his approval will have to be kept in abeyance for some time. Here I would like to express my thanks to the Board of the Maharashtra State Co-operative Insurance Society for agreeing to the scheme of amalgamation in a true Co-operative spirit. I am glad to state that the progress made by the Union Co-operative Insurance Society should be a matter of pride for the Co-operative sector and I am certain that with the amalgamation of both Union Co-operative and Maharashtra Society the progress will be still better."

84. The Society has in its letter in reply dated 20th July 1968 stated that the merger is still in the discussion stage and nothing is yet final. It has mentioned several details which according to its show that the amalgamation cannot be taken as having been concluded. It has pointed out that what the Chairman of the Society meant was that the principle of amalgamation of co-operative insurers has been agreed upon but the actual amalgamation is quite different from the enunciation of principles and that there are many hurdles factors and possibilities for and against amalgamation as a fact. Even for argument's sake if it comes as a fact it will take long time to have the agreed picture. A casual statement by the Chairman cannot in any way be considered in these arbitration proceedings as the amalgamation itself is not certain.

85. I may say that it would be safe to assume that the amalgamation of the Society and the Maharashtra State Co-operative Insurance Society into one unit is an expected event in the near future and that many of the difficulties which the Society pointed out at the hearing as stemming from the competition which it faces from the Maharashtra Co-operative Society will have disappeared. To that extent the financial position of the company will be strengthened and I have proceeded in framing my award on that basis.

86. Having dealt with categorisation. I shall next deal with the demands for wage scales and dearness allowance and adjustment of the existing wages into the awarded wage scales.

87. I shall first deal with the wage scales for the categories in Grade A viz. Sweepers, Peons, Watchmen, and Head Peons. They are in the existing categories of sub-staff whose Basic Pay scale is Rs. 35—2—55—3—70—5—90 at the Head Office at Bombay and at the offices at Delhi, Calcutta and Madras, and Rs. 35—2—55—3—70—5—80, in the Branches. The lowest paid member of the sub-staff category in Bombay, Delhi, Calcutta and Madras is at present entitled to the total emoluments of Rs. 137.50 made up as follows:—

Rs. 35.00 Basic Pay

Rs. 57.50 Dearness Allowance

Rs. 15.00 Temporary Special Allowance

Rs. 10.00 City Compensatory Allowance

Rs. 20.00 Interim Relief with effect from 1st January, 1966 under the agreement of 24th February, 1967.

Rs. 137.50

88. The sub-staff in the mofussil are not entitled to any city compensatory allowance, and therefore, the total emoluments of the lowest paid sub-staff in the mofussil area is Rs. 127.50 per month.

89. The demand of the Association for Sweepers, Peons, Watchmen and Head Peons is for a basic pay scale of Rs. 125—5—150—6—192—8—240. It has claimed that this scale of pay is the proper one for the 1949 Base Year i.e. at the All India Average Consumer Price Index for Working Class (1949=100). I may state that the scales of pay that the Union has claimed for the remaining categories B to F, are also on the same Consumer Index No. For easy reference I reproduce them below category-wise:

| Category | Scales of Basic Pay |
|--|---|
| A. Sweepers, Peons, Watchmen, and Head Peons | Grade 120—5—150—6—192—8—240. (19 years) |
| B. Liftmen & Drivers etc. | Grade 180—6—192—8—240—10—300. (14 years) |

| Category | Scale of Basic Pay |
|---|--|
| C. Record Clerks | Grade 190—8—214—10—254—12—200—15—350. (15 years) |
| D. Asstts. including Telephone Operators, Typists, Comptists & Adrima Machine Operators | Grade 200—10—260—15—350—20—490. (19 years) |
| E. Senior Asstts., Senior Typists & Stenographers | Grade 275—15—350—20—450—25—600. (16 years) |
| F. Sectional Heads and Asstts. Superintendents | Grade 325—25—400—30—550—40—750 (13 years) |

The demands for dearness allowance and adjustment are as stated earlier.

90. The total emoluments of the lowest paid Assistant at the Head Office at Bombay, Delhi, Calcutta and Madras is at present Rs. 195.00 made up as follows:—

Rs. 75.00 Basic Pay in the Scale of Rs. 75—7½—105—10—225—E3—15—330.

Rs. 70.00 Dearness Allowance

Rs. 15.00 Temporary Special Allowance

Rs. 10.00 City Compensatory Allowance

Rs. 25.00 Interim Relief

Rs. 195.00

91. Under the demands of the Association at All India Average Consumer Price Index No. 210 (1949=100) the sub-staff *i.e.* Peons & others, would be entitled at the minimum to:—

Minimum :

Rs. 120.00 Basic Pay

Rs. 137.00 Dearness Allowance

Rs. 257.00

and the lowest paid Clerk—(Assistant) would be entitled to:—

Minimum :

Rs. 200.00 Basic Pay

Rs. 228.00 Dearness Allowance

Rs. 428.00

I may state that the demanded Basic Pay Scales, linked as they are to 1949=100, and the rates of dearness allowance are so excessive, that they cannot possibly be considered as practical. These scales of pay and rates of dearness allowance, in their totality, are higher than what some of the biggest General Insurance Cos., like New India, Jaya Bharat, Jupiter Insurance Co., and others are paying in Bombay, as shown in the statements filed by the Association, and which in my opinion, would place a financial burden on the company which it would not possibly be able to bear (see Statements Ex. W-9 Series).

92. In my opinion, it is also not possible to accept any scales of pay, on the 1949=100 cost of living Index No., claimed by the Union. The wages having been revised more than once since the Society was inaugurated in 1951. The existing wages having been fixed by a consent award in 1961. For these reasons it is not possible to consider 1949=100 as the Base Year for the revised wage structure.

93. I have earlier in this award stated the respective submissions made by the parties and the principles which should be applied in fixing the rates of basic wage and the rates

of dearness allowance. I think in this case whilst applying the principle of industry-cum-region, I must bear in mind the five factors which I have stated earlier in para 47 of this award, considering that this is a Co-operative Insurance Society. The calculation which the Union made at the hearing on the basis of the need based formula of the 15th Indian Labour Conference is again so high and unrealistic that it cannot possibly be accepted. In my opinion, there are two main factors which do not make it possible to apply the basic scales of pay and the rates of dearness allowance which the other larger general insurance companies are paying. Firstly, it must be borne in mind that there are in all more than one hundred general insurance companies—throughout the country and the comparative statement filed by the Union (Ex. W-9 Series) only relates to some 25 to 26 General Insurance Companies, very few of which are All India Insurance Companies and none of which is a Co-operative Insurance Company, much less of an All India character like this company. Secondly, most of those scale of pay and rates of dearness allowance have been fixed at different times under agreements with their Union. Another factor which is of prime importance is that this company has a large number of area and branch offices throughout the country and it employs a much larger number of employees than several, if not most, of the General Insurance Companies with which the Union has sought comparison. It would be easy for a company which has a comparatively small or limited number of employees of a particular category to grant, out of consideration for an overall settlement, a higher scale of pay and or more liberal other service benefits than would be held to be justified on merits in an adjudication of the same industrial dispute under the Industrial Disputes Act. For these reasons, I am of the opinion, that Union's demand for the same scale of pay and dearness allowance for the subordinate and clerical staff of this company as are paid by the larger units in the General Insurance industry referred to in Ex. W-9, is not justified. But all the same, those agreements are useful guide-lines, and I have borne them in mind. I have also in this reference to bear in mind that under the terms of the reference whatever revision is granted in the pay scales and the rates of dearness allowance will have to be awarded with retrospective effect from 1st January 1966. This immediately places in the forefront the consideration of the financial burden that would be placed upon the Company. The Supreme Court in a number of decisions starting with the leading case of *The Express News Papers (Private) Ltd.*, (1961 1 I.L.J. P. 339) has laid down the salutary principle that it is incumbent upon a wage fixing authority to ascertain what would be the financial burden on the employer of the revision in the wage structure and the scheme of dearness allowance and the other benefits which its award would place upon the employer and formulate the terms of its award, only after it has ascertained what would be the financial burden on the employer. I must also bear in mind that under the terms of settlement on the other demands covered by the charter of demands, settled by the settlement of 24th February 1967, the Company has already been burdened with a fairly heavy financial burden. With effect from 1st January, 1966, the employees have got Interim Relief of Rs. 20 per month for the sub-staff and Rs. 25 per month for the rest of the employees and this must also be kept in mind. I, therefore, asked the parties what would be the financial burden on the Company for each of the years 1966, 1967 and 1968 on certain scales of pay and scheme of dearness allowance, giving them to understand clearly that those were purely tentative proposals. I have been considerably influenced in formulating my final award by the agreed joint calculations submitted by the parties of the financial burden that would be imposed on the Company for each of the years 1966, 1967 and 1968 on the wage scales and rates of dearness allowance on which they were required to make their calculations. Though I might have liked to have given something more to some categories. I have been forced to withhold my hand in doing so, as I feel that the financial burden of my award will, as it is, be a heavy one on the Company, particularly as I have linked the dearness allowance to the All India Consumer Price Index Number 1949=100 and there has been a substantial increase, by now almost of 30 points, over the Index Number since Index Number 185 which is the average for 1966, to which I have pegged the revised pay scales. On an anxious consideration of the submissions made by the parties I have come to the conclusion that it is not possible to grant the scales of basic pay and rates of dearness allowance demanded by the Union, much less is it possible to frame a wage structure on the basis of the Cost of Living Index Number 1949=100 as demanded by the Union. In my opinion, the fair thing to do, on the facts and circumstances, of the case and the principles of wage fixation referred to above, is to formulate the scales of basic pay and scheme of dearness allowance on the average of the All India Average Consumer Price Index Number for 1966 which was 185 and to provide a scheme of neutralisation which would provide a fair rate of neutralisation of the rise in the cost of living beyond that number. The average of the All India Consumer Price Index Number for 1966 was 185 (1949=100) and I am pegging the wage structure I am evolving to that Index Number. At present, the total emoluments of the workmen are made up of Basic Pay, Dearness Allowance, City Compensatory Allowance (at Bombay, Delhi, Calcutta and Madras), Temporary Special Allowance and Interim Relief granted under the earlier settlement particulars of which I have given above. The Temporary Special Allowance and the Interim Relief were virtually granted as compensation for the rise that has taken

place in the increase in the cost of living as the existing scheme of dearness allowance is not linked to any cost of living index number.

In the facts and circumstances of the case in my opinion the fair thing to do would be to direct—

- (a) that the amounts at present paid to each workman by way of temporary special allowance and interim relief shall be added on to his basic pay as on 1st January, 1966. In the case of the subordinate staff, including drivers and liftmen, the amounts to be added would be Rs. 15/- temporary special allowance and Rs. 20/- interim relief i.e. Rs. 35/- in all.
- (b) In the case of other categories of workmen covered by this award who are paid temporary special allowance and Interim Relief, the amounts to be added would be Rs. 15/- temporary special allowance and Rs. 25/- interim relief i.e. Rs. 40/- in all. I prescribed the following scales of basic pay for the various categories of workmen covered by this award to take effect from 1st January, 1966.

For the Bombay, Calcutta, Delhi and Madras Offices:

| <i>Category :</i> | <i>Basic Scales of Pay :</i> |
|--|-------------------------------|
| Peons including Head Peons, Sweepers, .. Watchmen, etc. | Rs. 70—2—90—3—105—5—125. |
| Liftmen. | Rs. 100—4—120—5—150. |
| Drivers. | Rs. 110—4—130—5—185—7.50—200. |

NOTE.—The driving allowance of Rs. 20/- per month at present being paid to the only one car driver at Bombay will be treated as withdrawn with effect from the date this award comes into force i.e. when the revised scale of pay and dearness allowance is applied to him. It appears that the duty hours of this driver at present are such as do not make it possible for his services to be utilised in the evening after office hours. I think this is a fit case where staggering of his working hours within the provisions of the Bombay Shops and Establishments Act would be justified. The driver could be given some hours off during the day to enable his services being available after regular office hours. The present practice under which he observes the same hours as the peons and other staff is resulting in an anomalous situation which needs to be altered to conform to more useful and purposeful utilization of his services.

For Assistants, (Typists, Senior Typists, Telephone Operators and Comptists), Senior Assistants, Stenographers and Junior Officers, in the Bombay, Calcutta, Madras and Delhi offices, I prescribe the following scales of basic pay to take effect from 1st January, 1966:—

| <i>Categories :</i> | <i>Basic Scales of Pay :</i> |
|--|-------------------------------------|
| Assistants, Typists, Senior Typists, Telephone Operators and Comptists. .. | Rs. 120—7 1/2—150—10—280—EB—15—385. |
| Senior Assistants. | Rs. 180—10—230—15—380—EB—20—420. |
| Stenographers. | Rs. 165—10—265—15—410. |
| Junior Officers. | Rs. 225—10—245—15—335—EB—20—475. |

I am satisfied that there is no justification for a separate grade for Senior Typists. The scale for Assistants which I have framed now is long enough to include Senior Typists and they can well aspire to travel on to the Senior Assistant's scale of pay.

95. The categories of subordinate staff and the clerical staff stated above in the Bombay, Delhi, Calcutta and Madras offices will in addition be entitled to continue to receive city compensatory allowance of Rs. 10/- per month.

Other Offices:

| <i>Categories :</i> | <i>Basic Scales of Pay :</i> |
|--|---|
| Peons including Head Peons, Watchmen, Liftmen, Drivers, etc. | .. Rs. 65—2—85—3—100—5—115. |
| <i>Assistants :</i> | |
| Junior Assistants, Typists, Senior Typists, Telephone Operators and Comptists. | .. Rs. 110—5—120—7·50—130—10—210—EB—15—255. |
| Senior Assistants. | Rs. 165—10—265—15—340—EB—20—380. |
| Junior Officers. | Rs. 200—10—250—15—385—EB—20—445. |

96. 1. Scheme of Dearness Allowance :

For the Bombay, Calcutta, Delhi and Madras offices:

(A) Subordinate staff, Liftmen and Drivers :

70% of basic pay upto Rs. 100/- with a minimum of Rs. 70/-.

For basic pay above Rs. 101/- the dearness allowance shall be Rs. 75/-.

97. The above shall be the fixed rates of dearness allowance on the All India Average Consumer Price Index for the Working Class (1949=100) at 185 points. In the case of any increase in the index number from 185 the dearness allowance shall be varied as follows:—

For every point's rise in the index number above 185 the dearness allowance shall be increased by 1% of the basic pay. This shall be known as the variable amount of dearness allowance. The maximum amount of dearness allowance payable made up of the fixed and variable amounts of dearness allowance shall in no case exceed Rs. 200/- per month.

The payment of dearness allowance as shown above shall be on the basis of six monthly average adjusted in the months of January and July of each year representing the half yearly figures from July to December and from January to June respectively.

(B) For the Clerical and other staff covered by the Award the Scheme of dearness allowance shall be as follows:—

| | |
|--|--|
| On basic salary between Rs. 100/- and Rs. 200/-. | Rs. 70 plus 25% of the basic pay above Rs. 100/-. |
| On basic salary between Rs. 201/- and Rs. 300/-. | Rs. 95 plus 10% of the basic salary above Rs. 200/-. |
| On basic salary between Rs. 301/- and Rs. 500/-. | Rs. 105 plus 5% of the basic salary above Rs. 300/-. |

This shall be the fixed element of dearness allowance. For every one point's rise in the All India Average Consumer Price Index Number for the Working Class (1949=100) above 185, the dearness allowance shall be increased by 3/4% of the basic pay upto Rs. 250/- and by 1/2% for basic pay between Rs. 251/- and Rs. 500/-. This shall be the variable amount of dearness allowance. The maximum amount of total dearness allowance made up of the fixed and the variable dearness allowance shall in no case exceed Rs. 200/- per month.

98. The payment of variable dearness allowance as shown above shall be on the basis of six monthly adjustments in the months of January and July of each year representing the half yearly figures from July to December and January to June respectively.

II. Scheme of Dearness Allowance for other offices:

99. For the subordinate staff including Drivers and Liftmen in the other offices (offices other than the Bombay, Calcutta, Delhi and Madras offices) the Scheme of fixed and variable dearness allowance shall be the same as for the subordinate staff including Drivers and Liftmen in the Society's offices at Bombay, Delhi, Calcutta and Madras.

100. For the clerical and other staff in the other offices, in my opinion the rate of dearness allowance should be slightly lower than for like categories in the Bombay, Calcutta, Delhi and Madras offices. At present also the dearness allowance paid to the employees in the other offices is less than what it is paid in Bombay, Delhi, Calcutta and Madras offices and I, therefore, award the following scheme of dearness allowance for the clerical staff viz., Assistants etc. in the other offices:—

| | |
|--|--|
| For basic pay between Rs. 100/- and Rs. 200/-. | Rs. 65/- plus 20% of basic pay above Rs. 100/-. |
| For basic pay between Rs. 201/- and Rs. 300/-. | Rs. 85/- plus 10% of basic pay above Rs. 200/-. |
| For basic pay between Rs. 301/- and Rs. 500/-. | Rs. 96/- plus 5% of the basic pay above Rs. 300/-. |

101. With regard to the variable rate of dearness allowance for the clerical and other staff in the other offices, the scheme shall be the same as for the Bombay, Calcutta, Delhi and Madras offices, viz for every one point's rise in the cost of living index above 185 the dearness allowance will be raised by 3/4% of basic pay upto Rs. 250/- and 1/2 per cent of basic pay between Rs. 251/- and Rs. 500/-. The maximum amount of dearness made up of fixed and variable dearness allowance shall not exceed Rs. 200/- per month for all those covered by this Award. The payment of dearness allowance as shown above shall be on the basis of six monthly averages adjusted in the months of January and July of each year representing the half year figures from July to December and from January to June respectively.

102. With regard to the demand for adding 10 points to the All India Average Consumer Price Index Number for the Working Class (1949=100) because of faulty computation of that Index Number since I am linking the wage structure to the Central Government's Cost of Living Index Number which has not been proved to be faulty and as I am also providing a percentage rate of increase in dearness allowance for every point's rise I do not think I shall be justified in imposing a further burden on the company with the grant of extra compensation on the ground of faulty computation of the index number.

DEMAND NO. 4—Adjustment:—

103. The claim for adjustment under demand No. 4 under reference is in these terms:—

"An employee shall be fitted into the new scale on stage to stage basis".

In support of this demand the Association in its written statement of claim has claimed adjustment of the existing basic pay of the employees after adding dearness allowance on a stage to stage basis. In other words, what the Union wants is that on the existing pay and dearness allowance of an employee as on 31st December, 1965 after being fitted into the new scale he shall receive as many number of increments as the numbers of years of service he has put in the Society. It has further claimed that if an employee is found to have received more basic pay than the number of years service he has put in warrants, he shall continue to receive the additional basic pay as his personal pay and will continue to get the same annual increment in terms of the revised pay scale. It has submitted that this is the only method by which the employees can get the real advantage of the new scales. The Society in its written statement characterised the demand as highly unjust and unreasonable and untenable under industrial law. It has submitted that since 1954 the employees have been getting graded pay with annual increments, which was revised in 1957 and again in 1959 and under the settlement of 1961 consent Award. It has pleaded that since the award of 1961 was under consent terms there is not justification for stage to stage adjustment which would impose a heavy financial burden on the Company. It has computed that if stage to stage adjustment would be granted it would impose an enormous burden in the very first year. It has submitted that even otherwise on the merits there is no justification for a stage to stage adjustment. I have been the calculations made by the parties on the tentative scales of pay on which I had asked them to make their calculations. In my awarded scales I have retained for most of the existing categories the same annual increments as in the existing pay scales for these categories, and the same are quite liberal.

104. Therefore, the only practical thing to do would be to direct that wherever the amount of existing basic pay of an employee together with the addition of the amounts of temporary special allowance and interim relief as on 1st January, 1966, is less than the minimum of the awarded scale of basic pay applicable to him, he shall be pulled up to the minimum of the awarded scale of basic pay applicable to him. In other cases where

the amount of the existing basic pay with the addition of the amounts of temporary special allowance and interim relief is as on 1st January, 1966, not a step in the awarded scale of basic pay applicable to him, he shall be stepped up to be placed in the next higher stage of the awarded scale of basic pay applicable to him. This method of adjustment was explained to the parties when they had come to me with their calculations and I do not think there would be any difficulty in the implementation of this award on that score.

105. Before I close the discussion on demands Nos. 2, 3 and 4 I must point out an advantage of the new wage structure which I have formulated which would not be apparent on a cursory understanding of the wage structure. By merging the amount of the temporary special allowance and the interim relief amounts into the basic pay the advantage to the workmen in the increased payments by way of provident fund, bonus and gratuity must not be overlooked. The calculations which have been submitted by the parties to me include the burden that will have to be borne by the company in respect of the benefits which the workmen will get by way of enhanced provident fund, gratuity and bonus and other payments which are calculated in terms of basic pay. Some of these benefits may not be available to the workmen in cash in terms of my award immediately. But all the same those are important gains and have imposed a fairly heavy financial burden on the Company. The increase granted to the workmen in basic pay and dearness allowance for the year 1966 may appear a little small. But it must be borne in mind that from 1966 the workmen did get a monthly interim relief of Rs. 20/- for the subordinate and Rs. 25/- for the clerical staff and that must not be lost sight of in computing the total benefits which they have got since they first raised this industrial dispute. For 1967 and 1968 the benefits of increased dearness allowance under the awarded scheme are more clearly visible.

106. The joint calculations submitted by the parties on 16th August 1968 of the financial burden on the company on the scales of basic pay for the subordinate staff and clerical and other staff covered by this award and for a scheme of dearness allowance less favourable than what I have awarded shows that the financial burden on the company for the three years 1966, 1967 and 1968 would be of the order of:---

| | | |
|-----------------------|-----------------------|-------------------|
| 1966 on Index No. 185 | 1967 on Index No. 210 | 1968 on Index 215 |
| Rs. 1,19,515 | Rs. 2,39,418 | Rs. 2,92,890 |

107. With the rise in the cost of living index number beyond 215, on which the calculations have been based for the year 1968, the annual recurring burden will be still higher. A note below this joint statement of calculations states that these calculations do not cover the following categories of staff viz., (i) employees drawing consolidated salaries and temporary Assistants whose number in 1966 was 25, in 1967, 54 and in 1968 65 (ii) Cadre II and III Departmental Heads, Senior Officers, Accountants, Assistants, Area Managers, Divisional Managers, Branch Managers, Sub-Branch Managers, etc., numbering about 104 in 1966, 189 in 1967 and 99 in 1968, whose extra load on dearness allowance has not been taken into account. As I have stated earlier the recurring burden of about Rs. 3 lakhs calculated for 1968 calculated on Index Number 215 cannot be considered small, and the terms of this Award will be placing a still heavier annual recurring financial burden on the company. No doubt, this is partly due to the fact that the existing scales of pay and dearness allowance paid by the Society have not been adequate. But all the same this financial burden and the additional burden which the company will have to incur by payment of additional amounts to its other employees not covered by this reference, have been taken into consideration.

108. With regard to those employees drawing consolidated salaries and the Temporary Assistants referred to in the above joint note of the parties dated 16th August, 1968, their case as such was not argued before me by the union and it is doubtful if they are covered by the terms of reference. If their number is included then the number of workmen covered by this reference would be higher than what is stated in sub-paragraph (v) of the joint application to arbitration dated 24th February, 1967, which states the total number of workmen affected or likely to be affected by the dispute as being 387. I would, however, recommend that these employees viz., those drawing consolidated salaries and temporary Assistants should be granted the benefits under this award from the date of their respective confirmation in service.

DEMAND NO. 5—*Special Allowance*

109. The demand for Special allowance is in the following terms:—

"Employees engaged for work mentioned below and or specifically designated as below shall be entitled to special allowance per mensem in addition to their salaries and emoluments in the manner stated below:

A. The Bank Peons, Despatch Peons, Head Peons, Franking Machine and Duplicating Machine Operators, and such other employees: Rs. 20/- per month.

B. Typists, Telephone Operators, Cashiers, Adrima Operators, Comptists, Bordereaux Writing Clerks and such other employees: Rs. 30/- per month".

110. At the hearing the Union gave up the claim for special allowance for Despatch Peons, Franking Machine Operators, Adrima Operators and Bordereaux Writing Clerks.

111. The Union has made this claim on the ground of special qualifications, skill and responsibilities, which it says are required to do these jobs. With regard to the Bank Peon it has stated that he runs the risk of being robbed and of otherwise losing the money while taking it to or bringing it from the Bank. With regard to the Franking Machine and Duplicating Machine Operators, the Union has argued that Peons doing this work have to undertake a slightly skilled work, for which they are entitled to be compensated by grant of a special allowance. In its written statement the Union has also made a claim for a special allowance for the Watchman.

112. With regard to the special allowance for the Typist, Telephone Operator, the Comptist and the Cashier, the Union has pressed the demand on the ground that their duties are more strenuous and skilled and involve greater strain. It has submitted that such allowances are paid by several Insurance Companies and the L.I.C. It has stated that the National Bank Award has made a provision for payment of these allowances to Bank employees. It has pointed out that the Society is already paying Rs. 25/- per month as a special allowance to the Comptist. With regard to the Typist it has pointed out that under the consent award of 1961 those Typists who were then entitled to typing allowance of Rs. 25/- per month, were to continue to get them. It has pleaded that a typist's work is strenuous and difficult and a special allowance should be granted to the Typist in addition to the enhanced scale of basic pay which may be awarded.

113. The Society in its written statement in reply, in opposing these demands, has stated that the demand for special allowances is unjustified and excessive. Dealing first with the claim of allowance for the Typists, it has pointed out that the special allowance of Rs. 25/- paid to the Typists is what they were getting prior to the 1961 consent award, and that the demand for a special allowance for the Typist in the 1960 dispute was not awarded by the consent terms. It has, in opposing the demands, pointed out that these workmen are not entitled to any extra compensation because (1) they are not performing these jobs for a substantial part of their time and these are not their main functions (2) that the existing wages and salaries fixed for these categories of employees have been fixed taking into account the fact that occasionally they are called upon to perform these additional duties, and (3) all the scales of pay of these categories are already high and do not admit of any additional payment to them. With regard to the special allowance claimed for the Bank Peons and the Despatch Peons the Society has stated that they do not do any special duties which call for any extra compensation. It has submitted that these Peons are supposed to discharge the responsibilities of the nature for which the special allowance is claimed. It has further submitted that if any special allowance is granted to these employees, it would create unnecessary anomalies. It has stated that the Franking and the Duplicate Machine Operators have only occasionally to operate those machines. It has, therefore, submitted, that except for the special allowance which the Society is already paying to its Head Peons, the demand for special allowance for Bank Peons, Head Peons and Franking Machine and Duplicating Machine Operators should be rejected. With regard to the Typist, Telephone Operators, Cashiers, Adrima Operators, Comptists and Bordereaux Writing Clerks the Society has stated that the duties performed by these employees in doing their jobs have been taken into account when fixing their salaries. It has submitted that it is the fixed rule of industrial adjudication that Typists are not allowed any special allowance for typing work.

114. I shall first deal with the claim made on behalf of the Peons.

115. The Head Peons in the Head Office is already getting a special allowance of Rs. 15/- per month. If the same is paid to the Head Peon, if any, at the Delhi, Calcutta and Madras Offices, the same should also be paid to them. The Head Peon is expected to supervise the work of the other Peons. In the Branches and other Area Offices the

number of Peons is so small that no claim can be laid for any special allowance for the Head Peons, if any.

116. With regard to the Bank Peon I think a claim for special allowance for him is justified. This is granted by several Insurance Companies under agreement and has also been granted by awards of Industrial Tribunals. This special allowance is paid to the Bank Peon partially in view of the risk involved and also for responsibility of taking to the Bank and bringing from the Bank large amounts in cash. I think a special allowance of Rs. 15/- per month would be adequate and should be paid only to the Peon who is asked to do this work in addition to his other normal duties as Peon. This should be paid to the Peon in the Society's Offices at Bombay, Delhi, Calcutta and Madras.

117. I am not satisfied that a claim has been made for the grant of a special allowance to Despatch Peons. It is normal duty of Peons to Deliver letters. The claim for a special allowance to Delivery Peons is rejected. In fact, it was not pressed at the hearing.

118. There is also no justification for a special allowance for the Watchman whose normal duty is to keep watch.

119. In the Head Office Peons are required to work the Duplicating Machine which is electrically operated. A slight skill, or more appropriately a little deftness is involved in operating this machine and an allowance of Rs. 15/- per month to the Peon who is asked to do this work appears to be justified and I grant the same.

120. With regard to the Typist I am of the opinion that the time is now past when a special allowance could be claimed for typing work as every clerk nowadays is expected to know typing. Even in the Society the special allowance for Typists was continued under the 1961 consent award, only for those who were then already getting it. I have, in several awards of mine, discussed this demand and rejected it. I, therefore, reject this demand.

121. The comptist is paid an allowance of Rs. 25/- per month and I direct that he shall continue to get it.

122. The demand for a special allowance for a Boardereaux Writer was withdrawn at the hearing and the same is rejected.

123. The only other special allowance that remains for consideration is the demand for an allowance for the Cashier, who has to undertake the responsibility of handling cash. Special reference was made at the hearing by the Union to the Cashier at the Head Office. But the management has argued that in actual fact the Cashier at the Head Office does not handle much cash and that it is part of the duty of a Cashier to handle cash and there would be no justification for a special allowance for him. In fact, the demand is normally made for those who are not Cashiers, but who are clerks and whose duty calls for their handling some cash. In this Company, the Cashier is in the Assistants' grade of pay. There is no special scale of pay for the Cashier. In view of this, it appears to me that a claim for an allowance to the Cashier at the Head Office at Bombay, appears to be called for. I, therefore, award him a Cashier's Allowance of Rs. 25/- per month.

124. In the result, on the demand for special allowances, I award special allowance of Rs. 15/- per month to the Bank Peons and the Peon who attends on the Duplicating Machine. I further direct that the Head Peon shall continue to get the special allowance of Rs. 15/- per month which he is getting at present.

125. With regard to the clerical staff, the Comptist will continue to get the special allowance of Rs. 25/- per month. The old Typists who are at present getting the special allowance of Rs. 25/- per month shall continue to get the same and no Typist who is at present not paid any special allowance shall be entitled to the same. The Cashier at the Head Office at Bombay shall get a Cashier's allowance of Rs. 25/- per month. All these allowances shall be paid with effect from 1st of January 1966. Those in receipt of other special allowances shall continue to get the same.

DEMAND NO. 6—Other Allowances:—

House Rent Allowance:—

126. The Union has claimed House Rent Allowance and City Compensatory allowance, as two special allowances. I shall first deal with the claim for House Rent Allowance.

127. The demand for House Rent Allowance is in the following terms :—

"All employees shall be paid as "House Rent" a sum at the rate of 10 per cent of their gross salary, subject to a minimum of Rs. 20/-".

In support of this demand in para 86 of its written statement, the Association has stated that the Society is not paying any House Rent Allowance to its employees; that the housing problem in all the cities where this Society has its offices is very acute and rents are exorbitant; that it is difficult to secure even one room tenement for a rent of less than Rs. 60/- per month and that only on payment of a large amount as premium, can accommodation be secured; that this amount forms percentage of the total emoluments of the workmen; that it is thus beyond the capacity of the employees to meet this necessary item of expenditure from their meagre emoluments; that the employers owe a duty to their employees to bear a portion of this burden which they should discharge by paying House Rent Allowance at the demanded rate; that the Society has the financial capacity to meet this demand.

128. The Society in its written statement in reply has denied its liability to meet the demand for House Rent Allowance and city compensatory allowance, which it has described as unjust, unreasonable and one beyond the capacity of the Society. It has submitted that for determination of minimum wage and the dearness allowance, the cost of living has to be considered as one of the factors and in determining the cost of living, house rent is one of the items of expenditure taken into the account; that since the demand of the Association for determination of the scale of pay is based on minimum wage and the demand for dearness allowance is limited to the All India Working Class Index Number, the demand for additional amount by way of house rent allowance and city compensatory allowance would amount to asking for double emoluments on the same count. Without prejudice, the Society has submitted that as most of the employees had been in the service of the Society for several years before the demands under reference were made, it would be safe to assume that they have got accommodation with them. The Society has submitted that under the Rent Control and Anti-eviction Laws in force, enhancement of existing rent is prohibited and security of occupation is guaranteed to the occupants. It has submitted that the standard and fair rents are those obtaining in 1941-42. It has submitted that since there has been no significant rise in rents in recent years there cannot be any case for demanding house rent allowance. It has submitted that it is not the employer's responsibility to supply housing accommodation to his employees. It has further submitted that there is no practice in the insurance industry for grant of house rent allowance. It has finally submitted that the nature of work of assistance to various employers are such that they are totally unrelated to the situation of the accommodation which the employees may have and as such not connected with the conditions of their employment. Lastly the company has submitted that the demand is beyond the financial capacity of the Society.

129. At the hearing, Shri Madan Mohan, the Learned Advocate for the Union has relied upon what according to him was the practice in the industry. He has stated that a number of insurance companies are granting house rent allowance to their employees and he has referred to the Union's chart Ex. W-14. He has referred to my awards in the dispute of the Hercules and Vulcan Insurance Companies by which I had awarded house rent allowance to the subordinate staff of these companies. He has further pointed out that house rent allowance is also granted in the Banking Industry.

130. On the other hand Shri Kothari has relied upon the decision of the Hon'ble Supreme Court in the case of the Patna Electricity Supply Co. Ltd. (1958 1 LLJ n. 257); and the Award in the industrial dispute of the General Insurance Co. (Gazette of India, dated 28th November, 1959, at page 334) and a number of awards of Industrial Tribunals in Bombay in industries other than the General Insurance Industry where such a demand for house rent allowance was rejected.

131. I am of the opinion that no case has been made out for grant of house rent allowance. In my earlier awards in the case of the Hercules Insurance Co. [Government of India Gazette Part II Sec. 3(ii), dated 17th July, 1965, page 2442] and Messrs. Vulcan Insurance Co. Ltd. [Gazette of India Part II Sec. 3(ii), dated 11th December, 1965 at page 3974], I had allowed house rent allowance only to the subordinate staff. The facts and circumstances in those cases were different. Here the subordinate staff and the clerical staff are both getting city compensatory allowance of Rs. 10 per month in Bombay, Calcutta, Madras and Delhi. In my opinion, there is no established practice of the grant of house rent allowance to the employees in the general insurance industry as noticed in my earlier awards. Taking all the facts and circumstances of the case into consideration, I do not think a demand for the grant of house rent allowance, is justified.

City Compensatory Allowance :

132. The demand under reference is as follows:—

"City Allowance at the rate of Rs. 30 per month shall be paid to each employee covered by this Charter at Head Office and all Area Offices". The Union in its written statement has in support of this demand urged that at present workmen of the Society at Bombay, Calcutta, and Madras are paid city allowance of Rs. 10 per month. This was initially introduced at Bombay through the consent award of the Central Government Industrial Tribunal in 1961 and at Calcutta through the settlement dated 6th April, 1963 and the Society extended the same at Delhi and Madras. It has submitted that this is a compensatory allowance given to those workmen in areas where the cost of living is comparatively higher. The Union has urged there are many other centres such as Nagpur, Poona and Ahmedabad, which are treated at par with Bombay and Calcutta in the matter of such demands. The Society has stated that it has Area Offices in many of such centres and offices under them. It has submitted that having accepted the principle of paying certain amounts as city compensation for higher cost of living, the same should also applied to all areas where the cost of living is similar to Bombay, Calcutta, Delhi and Madras. The Association has further submitted that the amount of Rs. 10 granted to the employees in the year 1961 cannot be considered adequate or reasonable, in 1966 and thereafter. It has pointed out that cost has gone up considerably and that the value of the rupee has depreciated very much particularly since devaluation in 1966. It has submitted that its demand of Rs. 30 per month to each workman as city compensatory allowance is just and reasonable. It has, therefore, prayed that this demand should be granted in full to those employees employed at all area offices of the Society where the cost of living is higher or equal to that in Bombay, Delhi, Calcutta and Madras. At the hearing the Union reiterated the submission made in its written statement and further stated that in many Insurance Companies, city compensatory allowance was granted. It has pressed the claim for payment of city compensatory allowance in other area offices particularly at Nagpur, Poona, Ahmadabad, Baroda and Surat. It has further submitted that the existing city compensatory allowance of Rs. 10 per month for all categories of staff is inadequate and needs to be revised,

133. Shri Kothary for the company has submitted that on proper wage fixation on geographical consideration, Rs. 10 was adequate for Bombay, Calcutta, Madras and Delhi. He has urged secondly that there is no established industrial practice to grant any city compensatory allowance. He has thirdly urged that this would impose a very high financial burden on the company.

134. In my opinion, the existing rate of City Compensatory Allowance of Rs. 10 per month, cannot be increased, bearing in mind the financial burden I have already imposed upon the Society by the wage structure and particularly the scheme of dearness allowance, which I have awarded. It is mainly this consideration which deters me from granting an increase in the existing rate of city compensatory allowance or extending its grant to other cities like Ahmedabad, Baroda, Surat, Nagpur and Poona for which a claim has been made. The demand for Rs. 30 as city compensatory allowance is in any case excessive, and must be rejected.

Promotion :

135. The Association in its written statement has stated that at present there are no rules and regulations governing promotion, and the Society reserves to itself the right to make direct recruitment with regard to promotion. It has complained that the claims of senior employees are disregarded without cause and reason and junior employees are promoted for extraneous considerations; that direct recruitment to senior posts is made even when equally efficient employees are available, thereby reducing the opportunities for promotion to existing employees and frustrating their future career. The Association has submitted that directions on this demand should be given in the following terms:—

"No direct recruitment shall be made in Grade 'D', 'E' and 'F'. A higher post and all vacancies of such posts shall be filled in by way of promotion from among the existing staff. The promotion shall be on the basis of seniority and merits of the employees. Employees in grades 'A' and 'B' and 'C' shall be absorbed in Grade 'D' on passing the S.S.C., S.S.I.C. or equivalent examinations of Licentiate examination of Federation of Insurance Institutes. At least 40 per cent of all employees in Grade 'D' and 'E' shall be in Grade 'E'. At the time of promotion, over and above usual annual increment, an employee shall be given one extra increment after adjustment."

136. The Society in its written statement has stated that promotion is normally a function of the management and it must be left to the discretion of the management, which cannot be interfered with on grounds of extra-managerial considerations. It has

further submitted that the nature of the insurance business admits of exercise of initiative and skill of a different type and it is only the managerial personnel that can adequately determine the suitability of persons for promotion. It has urged that promotion has always been the internal administration and function of the management which has always given promotion to deserving persons. It has stated that the demand for automatic promotion of employees of the subordinate staff to the Assistant's Grade on passing the S.S.C. and the S.S.L.C. or equivalent examinations will cut at the root of promotion being a managerial function and to the Society having to tolerate inefficient staff and employing persons not fit for their jobs. It has pleaded that direct recruitment leads to infusion of new blood in the staff and makes the existing staff conscious of competitive ability. It has enumerated the difficulties of having to employ peons, sweepers and watchmen on their passing the S.S.C. examination as typists, comptists or telephone operators, without the management being able to test their abilities or aptitude for those jobs. It has on similar grounds opposed the claim of automatic promotion of Grades D and E to Grade F. It has submitted that the work of an Assistant is different from that of a Sectional Head or Assistant Superintendent which involves exercise of supervisory functions and managerial discretion. It has stated that it is the management's right, which should be left to it, to determine each and every case on merits for promotion to the supervisory grades. The Society has also on similar grounds opposed the demand of the Association for promotion 40 per cent of the existing staff, which it has stated will lead to injustice and serious interference with day to day work. It has submitted that the Union's demands amount to complete unionisation of Grade F. It has submitted that the demand that the management should be compelled to absorb all persons from Grades C, D and E to Grade F is demand for right of recruitment rather than promotion. It has submitted that it, would paralyse the whole administration if direct recruitment was shut out. It has submitted that in the interest of smooth administration and proper management, the function of promotion should be left to the sole discretion of the management. It has finally submitted that the demand for regulation of promotion, does not admit of any award as such and it has prayed that this Award should re-affirm once again the well settled principle that promotion is a matter of discretion of the employer and it should not be interfered with by an external agency. It has also opposed the demand for one increment on promotion as being unjustified, as promotion itself means more emoluments and better status and dignity for the employee promoted. It has summed up its opposition to the demand as stated in the Society's written statement as (a) amounting to serious interference with smooth and efficient management and the principle that promotion is managerial function, (b) pushing incompetent and otherwise not acceptable persons to higher ranks, and (c) a subtle design to unionise not only the subordinate and clerical cadre but also all the supervisory cadre and thus indirectly control management without corresponding responsibility.

137. At the hearing Shri Madan Mohan, learned Advocate for the Association argued that an industrial dispute can be raised regarding framing proper promotional Rules and that in that context the first criterion of promotion should be seniority and the next efficiency and that all things being equal seniority should prevail. Shri Madan Mohan has referred to the directions in the Bank's Award, where when a senior employee is passed over in promotion by a junior employee the Bank is required to give reasons for passing over the senior employee, who is also given the right to make a representation. He has pointed that this direction was followed by Shri F. Jeejeebhoy as National Tribunal in Brooke Bonds' case.

138. Shri Kothari, Learned Advocate for the Company has on the other hand contended, and, I think with justification, that the demand as framed in the Union's written statement, amounts to a direct interference with the management's right to decide who should be promoted and sought to divest it of the discretion which is vested in it. He has relied upon the decision of the Hon'ble Supreme Court in the case of Brooke Bond's (India) Ltd., and their workmen 1966 1 LL.J.P. 402, where their Lordships held :

"Generally speaking, promotion is a managerial function, but it may be recognized that there may be occasions when a Tribunal may have to interfere with the promotions made by the management where it is felt that persons superseded have been so superseded on account of *mala fide* or victimisation, it is not the function of a Tribunal to consider the merits of various employees itself and then decide whom to promote or whom not to promote. If any industrial tribunal finds that promotions have been made which are unjustified on the ground of *mala fides* or of victimization, the proper course for it to take is to set aside the promotions and ask the management to consider the cases of superseded employees and decide for itself whom to promote, except of course the person whose promotion has been set aside by the Tribunal."

139. Whilst this decision has no direct bearing on the facts, it re-emphasises the management's rights in the matter of selection of the persons to be promoted. In my

opinion, the caption of the demand does not indicate over what questions relating to promotion this dispute was raised. The written statement of the Union formulates certain propositions. In my opinion they are in far too general terms, and seek completely to deprive the management of any discretion in the matter of promotion. As rightly pointed out by Shri Kothari, the learned Advocate for the Society, the demands as formulated in the written statement is a mixed demand of both a claim for recruitment and for promotion. It is, in my opinion, impossible to grant this demand as framed. The demand is, therefore, rejected.

140. I direct that the payments due to the workmen under this award shall be made within one month of the publication of this award in the official Gazette.

141. Before I finally part with this reference, I should like to express my appreciation of the able manner in which Shri Madan Mohan, Advocate, Supreme Court for the Union and Prof. M. G. Kothari, M.A., J.L.B., Advocate for the Society, argued their respective cases. I am also grateful to the representatives of the management for the facilities provided to me for the hearing in the Board Room of the Company. I am also grateful to the Union for the assistance which I have received from its office bearers. I am particularly grateful to the representatives of both the Society and the Union for the assistance they have given me in making the calculations of the costs, which they so willingly undertook and which has been of real assistance to me in finalising my award. In conclusion, I should like to thank the staff of the Society for their willing co-operation at the hearing, particularly in the recording of the oral depositions of the witnesses.

No order as to costs against parties.

(Sd.) SALIM M. MERCHANT,
Arbitrator.
[No. 74/3/67/LRIII.]

New Delhi, the 9th September 1968

S.O. 3359.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Delhi, in the industrial dispute between the employers in relation to the Narang Bank of India Limited, New Delhi and their workmen, which was received by the Central Government on the 31st August, 1968.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, DELHI.

PRESENT :

Shri R. K. Baweja, Central Government Industrial Tribunal, Delhi.
21st August, 1968.

REFERENCE I.D. No. 3 OF 1967

BETWEEN

The employers in relation to the Narang Bank of India Limited, New Delhi,

AND

Their workmen.

Shri P. L. Juneja—for the management.

Shri H. L. Parvana—for the workmen.

AWARD

The Central Government being of opinion that an industrial dispute exists between the employers in relation to the Narang Bank of India Limited, New Delhi (hereinafter to be referred as management) and their workmen as represented by the All India Bank Employees' Association, Chandni Chowk, Delhi (hereinafter to be referred as Association), by its order No. 51/59/67/LRIII dated 25th September, 1967, referred to the Tribunal presided over by my learned predecessor, Shri Anand Narain Kaul, under section 10(1)(d) of the Industrial Disputes Act, 1947 for adjudication of the dispute in respect of the matters specified in the schedule annexed thereto. The schedule is extracted below:—

'Whether the demand of the workmen of Narang Bank of India Limited, New Delhi that the terms and conditions of their service should be in accordance with the Memorandum of Settlement arrived at on the 19th October, 1966

between the managements of the banks as represented by the Indian Banks Association, Bombay and the Bombay Exchange Banks Association, Bombay and the workmen of the said banks as represented by the All India Bank Employees' Association and the All India Bank Employees Federation, is justified? If so, to what relief are they entitled?"

2. The case proceeded before me as successor to Shri Anand Narain Kaul. During the pendency of the proceedings, the management alleged that a settlement had been arrived at between the management and its workmen. A written statement was also filed by the said employees in which it was stated that they were satisfied with the wages paid to them, that they had carefully considered the financial position of the bank and had come to the conclusion that it would be in their interest not to impose further burden on it. They further added that the reference made by the All India Bank Employees' Association pending in the industrial court was not in accordance with their instructions. The management was directed to get the affidavits of the said workmen and they have been filed duly attested by the Notary Public. In these affidavits the same statement had been made as was made by the workmen in the written statement. At the instance of the Secretary of All India Bank Employees' Association, three of the signatories to these affidavits were called today in order to ascertain, if this settlement had not been obtained under any pressure on the part of the management. Shri Kishan Chand Chug, chief clerk, Shri Pushap Kumar, clerk and Shri Raj Kumar Khosla, peon have appeared before me today and have stated that they have entered into the settlement with the bank not on account of any pressure exercised on them but of their own accord. In view of these documents and the statements, Shri H. L. Parvana, secretary of the Association who had filed the statement of claim on behalf of the employees stated that he did not desire to pursue their claim any further. This being so and as the settlement had been arrived at between the parties, a no dispute award is made.

(Two pages)

(Sd.) R. K. BAWEJA,

21st August, 1968.

Central Government Industrial Tribunal, Delhi.

[No. 51/59/67/LR.III.]

New Delhi, the 12th September 1968

S.O. 3360.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Jabalpur, in the industrial dispute between the employers in relation to the management of Messrs Rajaramka Brothers (P) Limited, Tumsar and their workmen, which was received by the Central Government on the 3rd September, 1968.

**CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT,
JABALPUR**

Dated August 26, 1968

PRESENT:

Shri G. C. Agarwala, Presiding Officer.

CASE REF. No. CGIT/LC(R)(23) OF 1968

PARTIES :

Employers in relation to the management of M/s. Rajaramka, Bros. (P) Ltd.,
Tumsar,

Vs.

Their workmen represented through the General Secretary, Balaghat Zila Khadan
Mazdoor Sangh, Waraseoni.

APPEARANCES :

For employers—None.

For workmen—(1) Shri Chatru. workman.

(2) Shri Kuwar Ghoreswar, Secretary of the Union.

INDUSTRY:—Manganese Mine

DISTRICT:—Balaghat (M.P.).

AWARD

By Notification No. 35/1/68-LRI, dated 14th March, 1968, the Ministry of Labour, Employment & Rehabilitation (Department of Labour and Employment), referred the following matter of dispute to this Tribunal, for adjudication:—

Matter of Dispute

Whether the termination of services of Shri Chatru S/o Machhu Gond (employed at Miragpur Mines of Seth Gopikisan Agarwal) with effect from the 15th May, 1967 by the management of M/s. Rajaramka Bros. (P) Limited, Tumsar was justified? If not, to what relief is he entitled?

Miragpur manganese mine is run by M/s. Rajaramka Brothers Private Ltd., although the mine belongs to Shri Gopikisan Agarwal. There is one Shri Motilal Deshmukh, a contractor in the mine. The complaint of the Union, Balaghat Zila Khadan Mazdoor Sangh, is that Shri Chatru workman concerned was member of the Union and protested to the Contractor and other staff for under measurements rendered by them. Because of this protest, Shri Chatru who was a piece rated worker was stopped from working from 15th May, 1967.

The employers absented and once an *ex-parte* award was recorded on 26th June, 1968. It was, however, set aside because the award had not been signed, on an application of the employers. A date for hearing was fixed on 6th August, 1968 in presence of both parties. When case was taken up on this date, 26th August, 1968, employers are again found absent. The workman concerned Shri Chatru as also the Union Secretary Shri Kuwar Ghoreswar were present. The management in the written statement had claimed that Shri Chatru was dismissed on charge of indiscipline after a proper enquiry. Shri Chatru has denied this in his evidence. He has stated that he received no chargesheet, nor was any enquiry held, nor was he communicated with any dismissal order. The case of the management remained unproved.

Decision

Shri Chatru is entitled to be reinstated with back wages and attendant benefits with effect from 15th May, 1967. The Union will be entitled to Rs. 50/- as costs.

(Sd.) G. C. AGARWALA,
Presiding Officer.
26-8-68.

NOTE:—

Before the award was signed an application for adjournment was received by post, which was considered and rejected.

(Sd.) G. C. AGARWALA,
Presiding Officer.
26-8-68.

[No. 35/1/68-LRI.]

S.O. 3361.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947) Central Government hereby publishes the following award of the Central Government Industrial Tribunal, Jabalpur, in the industrial dispute between the employers in relation to the managements of the Manganese Mines specified in the Schedule hereto annexed and their workmen, which was received by the Central Government on the 2nd September, 1968.

SCHEDULE

| Sl. No. | Name of the employer together with address | Name of the Manganese Mine |
|---------|--|----------------------------|
| 1 | 2 | 3 |
| 1 | M/s. B. Patnaik Mines (P) Limited, Sermada, Post Office r. B. Patnaik Manganese Min Barbil, District Keonjhar. | |
| 2 | M/s. M.L. Rungta, Post Office Chaibasa, District r. Siljora Kalimatti Mangan Keonjhar (Bihar). | Mines. |

| 1 | 2 | 3 |
|---|--|---|
| 3 | M/s. Bhanja Minerals (P) Limited, Post Office Chamakpur, District Keonjhar. | 1. Inganijharan Manganese Mines. |
| 4 | Smt. Sabita Roy, I.T.C., Post Office, Johang, Via-Joda, District Keonjhar. | 1. Jalahuri Manganese Mines. |
| 5 | M/s. K.N. Ram & Co., Post Office Barbil, District Keonjhar. | 1. Roida Manganese Mines. |
| 6 | Shri M.S. Deb, Post Office, Barbil, District Keonjhar. | 1. Inganijharan Manganese Mine. |
| 7 | M/s. Mining and Transporting Co., Contractors of M/s. Orissa Minerals Development Co. Ltd., Post Office, Barbil District Keonjhar. | 1. Bhadrashai Manganese Mines. 2. Churamalda K-13 Manganese Mines. |

CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT JABALPUR.

Dated August 5, 1968

PRESENT :

Shri G. C. Agarwala, Presiding Officer.

CASE REF. NO. CGIT/LC(R)(6) OF 1968.

PARTIES

Employers in relation to

1. M/s. B. Patnaik Mines (P) Ltd., Sermada, P.O. Barbil, District Keonjhar.
2. M/s. M.L. Rungta, P.O. Chaibasa, District Singhbhum (Bihar).
3. M/s. Bhanja Minerals (P) Ltd., P.O. Chamakpur, District Keonjhar.
4. Smt. Sabita Roy, I.T.C., P.O. Johang, Via-Joda, District Keonjhar.
5. M/s. K.N. Ram & Co., P.O. Barbil, District Keonjhar.
6. Shri M.S. Deb, P.O. Barbil District Keonjhar.
7. M/s. Mining and Transporting Co. Contractors of M/s. O.M.D. Co. Ltd. P.O. Barbil, District Keonjhar.

Versus

Their workmen represented through the General Secretary, Keonjhar Mines & Forest Workers Union, P.O. Barbil, District Keonjhar.

APPEARANCES

- | | |
|----------------------|--|
| <i>For Employers</i> | 1. S/Sri S.S. Mukerji, Advocate, & R.C. B. Srivastava, C.M.E. M/s. M.L. Rungta (for Employers No. 1, 2, 3, 5 & 6). 2. S/Sri S. Mukerji and N.K. Paul, (For employer No. 7). |
| <i>For workmen</i> | S/Sri R.C. Ram, A.C. Mohanti and H. Behra— for the Union. |

INDUSTRY : Manganese Mine District—Keonjhar (Orissa)

AWARD

By Notification No. 37/22/67/67-LR-I dated 11th January, 1968, the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), Government of India

referred the following matters of dispute as stated in Schedule I and II to the order of reference this Tribunal, for adjudication :—

Matter of Dispute

SCHEDULE I

| Sl. No. | Name of the employer together with address | Name of the Manganese Mine |
|---------|---|--|
| 1 | 2 | 3 |
| 1 | M/s. B. Patnaik Mines (P) Ltd., Seramda, P.O. Barbil, District Keonjhar. | 1. B. Patnaik Manganese Mines. |
| 2 | M/s. M.L. Rungta, P.O. Chaibasa, District Singhbhum (Bihar). | 1. Siljora Kallimatti Manganese Mines. |
| 3 | M/s. Bhanja Minerals (P) Ltd., P.O. Chamakpur, District Keonjhar. | 1. Inganijharan Manganese Mines. |
| 4 | Smt. Sabita Roy, I.T.C., P.O. Johang, Via-Joda, District Keonjhar. | 1. Jalahuri Manganese Mine. |
| 5 | M/s. K.N. Ram & Co., P.O. Barbil, District Keonjhar. | 1. Roida Manganese Mines. |
| 6 | Shri M.S. Deb, P.O. Barbil, District Keonjhar. | 1. Inganijharan Manganese Mines. |
| 7 | M/s. Mining & Transporting Co., Contractors of M/s. Orissa Minerals Development Co. Ltd., P.O. Barbil, District Keonjhar. | 1. Bhadrasahi Manganese Mines. 2. Churamalda K-13, Manganese Mines. |

SCHEDULE II

Whether the demand of the workmen employed in the manganese mines of the employers mentioned in Schedule I for increase in their existing rates of wages is justified? If so, to what relief are the workmen entitled and from what date?

2. There are seven names of employers in the schedule to the order of reference. One of them Sl. No. 7, M/s. Mining and Transporting Company, are the Contractors of Orissa Minerals Development Co. Ltd. and not the mine owners themselves. They all have manganese mines in Barbil area in the district of Keonjhar. Some of them have iron ore mines also, and as stated by the Union Secretary, Sri H. Behra (W.W. 1), in his deposition, they are M/s. B. Patnaik Mines (P) Ltd. (Sl. No. 1), M/s. M. L. Rungta (Sl. No. 2), M/s. Bhanja Minerals (P) Ltd., (Sl. No. 3) and Smt. Sabita Roy (Sl. No. 4), as also M/s. K. N. Ram & Co. (Sl. No. 5). The remaining Sl. No. 6, Shri M. S. Deb, has only manganese mines. In this area known as Barbil area, both manganese and iron ore mines are found, if not side by side, than in near vicinity or neighbourhood in contiguous belts, the distance varying from 3 to 20 miles as stated by Sri R.C.B. Srivastava, Chief Mining Engineer of M/s. Rungta & Company (E.W. 1). There has been no revision of wages since 1960. The Union, Keonjhar Mines and Forest Workers Union, gave a strike notice with seven charter of demands against 15 employers to be resorted to from 21st December, 1967. One of the demands against these employers was that an immediate wage of Rs. 4/- per day should be paid to all *hazri* and piece rated miners as also to dressing workmen and a flat increase of 50% wages should be given to other category of workmen, all with effect from 1st January, 1967. The date was chosen as this was the date for implementation of Central Wage Board for Iron Ore Mining Industry. The Union wanted parity with the Iron Ore Wage Board Recommendations and that the wages of manganese mine workers should also be enhanced from the same date. Conciliation having failed resulted in this reference. It may be mentioned that the Central Government by Notification No. 37/22/67-LRI dated 15th January, 1968 prohibited the continuance of strike in the manganese mines under Sec. 10(3) of the I.D. Act.

3. Out of seven employers one Smt. Sabita Roy remained absent throughout. The remaining filed their written statement and rejoinders were also filed by the employers

Sl. Nos. 2, 3 & 6. The written statement of the Union was filed. It also filed rejoinders to the written statements of the employers Sl. Nos. 1, 2, 3, 6 & 7.

4. The case of the Union is that with the growth of steel and iron industries and the export market, manganese mining industry has been prosperous with a great future. The employers have been making huge profits, iron ore mines and these mines are run in the same locality by the employers. They have implemented the Iron Ore Wage Board Recommendations as a result of which the minimum daily wage of iron ore workers is Rs. 3/- per day but the wage of manganese mine workers has not been raised. The wages should therefore be revised.

5. All the employers have more or less taken the same and identical pleas. Broadly stated, their stand is that manganese mines have been running through a slump period for a number of years because the off take of manganese ore for export has considerably fallen down on account of incompetitive cost of production of Indian manganese ore as compared to other countries. Manganese is produced in four grades, the Dioxide, High grade, Medium grade and Low grade. Only Low grade is consumed internally by the Steel Plant, whereas the other three superior grades are all exported, the monopoly of which is with Minerals & Metals Trading Corporation of India Ltd. (M.M.T.C.). This Corporation has been finding it difficult to sell Indian manganese in foreign market and have already accumulated a huge stock of high grade manganese with no sale prospects in near future. A number of manganese mines have been closed down in recent years and they are such which have no iron ore mines because they could not cope with the slump. The present mine owners covered by the reference have survived because they have iron ore mines also for selling 1 ton of manganese to M.M.T.C. Ltd., they get 5 tons of iron ore to be supplied to Steel Plant. According to them, iron ore industry is not comparable to manganese industry both having their different problems. The higher wages to workers in the iron ore industry are reflected on the production of steel; the price of which is either protected or subsidised by the Government. Further the bigger units of steel plants are all owned by the Government in Public Sector and the export is also controlled by a Government Organisation Committed to bear the extra cost through escalation clause in contracts. The output per manshift (O.M.S.) in manganese is very low ranging from 0.10 to 0.18 whereas in iron ore output per manshift varies from 1.5 to 2.2. With the ancillary benefits of subsidised rise, provident fund, leave with wages, bonus and maternity benefits, the average wage of a worker is Rs. 2/- and odd which compares favourably with other mining industry in the area, namely China Clay, Chromite, Kyanite, Asbestos etc.

6. A preliminary objection was raised by the contesting employers that the Central Government have now included employment in manganese mines as a scheduled employment under the Minimum Wages Act and a notification dated 30th October, 1967 has been published to that effect. It was contended that since the demand of the Union was also for a minimum wage of Rs. 4/- per day no reference could be made as the minimum wage will necessarily be fixed by the appropriate Government after taking into consideration all the relevant matters. This objection was overruled in the hearing rendered at Purl on 13th May, 1968. It was held that though a notification has been issued covering the industry for the scheduled employment yet no minimum wage has so far been fixed. Further as a proposition of law, the workmen are not debarred from claiming a reasonable and just wage notwithstanding a minimum wage which may be fixed under the Minimum Wages Act. The Union did not necessarily claim a minimum wage but claimed what should be a fair wage with a minimum of Rs. 4/- per day for a worker. The word "minimum" used in the written statement cannot be interpreted literally so as to indicate the concept of minimum wage but in the context in which it was used it meant the minimum demand. After the objection was overruled hearing in the case proceeded. The Union examined one witness, Sri H. Behra, Secretary of the Union, who also proved certain documents Ex. W/1 to W/6. On behalf of the employers, two witnesses were examined, Shri R. C. B. Srivastava (E.W. 1). Chief Mining Engineer of M/s. M. L. Rungta Group of mines and Sri Mangalji Nabheram Atha (E.W.2) one of the partners in K.N. Ram and Company, who filed and proved a statement showing the cost and wages for the year 1966. The other employers also filed similar statements, particulars of which are given in the annexure to this award.

7. The principles on which wages are fixed are now well settled. While trying to recognise and give effect to the demand for a fair wage, industrial adjudication has also to take into account the problem of the additional burden which increase would impose upon the employers and has to ask itself whether the employer can reasonably be called upon to bear such a burden. The problem of constructing a wage structure has further to be tackled on the basis that such wage structure should not be changed from time to time as it is a long range plan, and so in dealing with this problem the financial position of the employer must be carefully examined. What has been the progress of industry in question, what are the prospects of the industry in future, has the industry been making

profits and if yes what is the extent of profits, what is the nature of demand which the industry expects to secure, what would be the extent of the burden and it's gradual increase which the employers may have to face. These and similar other considerations have to be carefully weighed before a proper wage structure can reasonably be constructed by industrial adjudication [*vide* Express Newspapers (Private), Ltd., and another Vs. Union of India and others, reported in 1961-I-LLJ p. 339]. Further as held in D.C.M. Chemical Works Vs. Its workmen, reported in 1962-I-LLJ p. 388, where the question is not of paying the bare minimum wage for which there is no question of capacity of industry to pay but where the demand is for fixation of increased fair wage, the present financial position of the concern and it's stability are both necessary to be considered before an increased fair wage can be given. In the present case, the bare minimum wage is not claimed by the Union. What is claimed is a fair wage on the lines of wage recommended by the Wage Board for Iron Ore Industry and which has been adopted by the Government and employers of the Iron Ore mining industry. It is urged that manganese is a sister industry going side by side with iron ore and the workers in this manganese mining industry should be equated and kept at par with iron ore industry. The argument, however, is fallacious. Manganese mining industry has all along been kept distinct & separate. It has not been treated as a stable industry for constitution of a Wage Board so as to have a uniform wage structure though spread over in different parts of the country. The reason is obvious. It's prosperity depends principally on the export trade. There is no consumption of high grades manganese, namely Dioxide, High and Medium grade manganese internally. There are very few Dioxide manganese ores, viz. ores having more than 50% manganese content. As stated by Sri R.C.B. Srivastava (E.W.1) except for the mines of Orissa Minerals Development Coy. of which Orissa Mining and Transporting Co. are the contractors, no other is producing Manganese dioxide. The mines produce 15 to 20% of the total as high grade and 30 to 40% as medium grade. Rest is low grade. Thus more than half of the production has to depend on export and which can only be rendered through the M.M.T.C. Ltd.

There has been a continued slump in the international market for the last few years. That the slump has been persisting is evident by two news items published in the Hindustan Standard, Calcutta, dated 23rd March, 1968 (Ex. E/9) and another in Financial Express Bombay dated 5th March, 1968. As a matter of fact, the slump in the industry is such a notorious fact of which even judicial notice can be taken. A large number of mines have been closed down. M/s. M.L. Rungta & Company gave a list of 43 mines in Ex. E/11, M/s. Bhanja Minerals (P) Ltd., also gave a list of 26 closed mines (Ex. E/17), M/s. M.S. Deb also gave a list (Ex. E/24) of the same mines as were given by M/s. Bhanja Minerals in Ex. E/17. These figures have not been controverted. Almost every employer has furnished statement showing the rates of wages paid to different categories, the pit mouth value per ton, the expenses from pit mouth upto the destination and the average selling price. The following is the summary from the various documents filed by the different employers :—

| Name of the employers | Average cost per ton | | Average sale price per ton | | Loss | O.M.S. |
|---------------------------|----------------------|----|----------------------------|----|----------|---------------------------------------|
| | Rs. | P. | Rs. | P. | | |
| M/s. B. Patnaik (P) Ltd. | 41 | 95 | 35 | 60 | 6.35 | 0.10 |
| M/s. M.L. Rungta | 26 | 57 | 24 | 68 | 1.89 | 0.18 |
| M/s. Bhanja Minerals Ltd. | 25 | 71 | 24 | 79 | 1.92 | 0.13 |
| M/s. K.N. Ram & Company | 30 | 79 | 31 | 45 | 0.25 | 0.09 |
| | | | | | (Profit) | |
| M/s. M.S. Deb | 26 | 71 | 36 | 56 | 9.85 | 0.12 |
| | | | | | (Profit) | (Only produces dioxide & high grade). |

From the above it would appear that except for M/s. K. N. Ram & Company which showed a little profit and M/s. M. S. Deb which undoubtedly had earned some profits because they produce only dioxide and high grade, all others had been running at a loss. The industry taken as a whole, therefore, cannot be said to be in flourishing condition so as to bear the burden of increased wage. From the industry point of view, there can be no comparison with iron ore industry. The output per man shift is comparatively very poor in the manganese mining which is evidently due to the fact that manganese ore is found in

pockets and have to be searched out after removal of earth for which the employers have to pay without any return. As a matter of fact, iron ore industry is a protected industry, controlled and subsidised by the Government. This is not so in the case of manganese where entrepreneurs have been left to their own fate. At the same time, it must be recognised that the mining condition for manganese workers are comparatively more difficult. As admitted by Sri Srivastava (E.W.1) special knowledge is required for manganese miners as manganese deposits are found in pockets and no such knowledge is required for iron ore miners. He admitted that the job of manganese miners is more skilled than of iron ore miners. There are no dressers and pickers in iron ore mines. The work evidently is more arduous in manganese than in iron ore mines. The position is indeed anomalous and incongruous, in so far that iron ore miners should be getting more whereas manganese miners should be paid less. This is a factor which has also to be borne in mind in the matter of fixation of wages of manganese workers.

8. Apart from this, there are other points which goes in favour of the workers for an increase in wages. The Central Government Industrial Tribunal (II), Calcutta in a dispute raised by this very Union against Orissa Minerals Development Company, owner of four manganese mines and three iron ore mines in this Barbil area, in a recent award dated 29th April, 1967 increased the wages of piece rated workers, miners and dressers. For want of necessary materials the question was left open for monthly workers and weekly paid hazri workers. When workers of another concern have been allowed increased wages, it would be difficult to resist the claim of workers in neighbouring mines of the employers covered by the present reference. It may, however, be noted that the award of the Calcutta Tribunal has been challenged before the Calcutta High Court and is not yet final.

9. Another factor is the absence of the Profit and Loss Account and the Balance sheet of the employers. None of them filed themselves and the Union also did not apply requiring the employers to produce their Balance-sheets and Profit and Loss Accounts. There does not appear to be any sinister motive on the part of the employers not to have produced the same. Most of them do not keep separate accounts for manganese mines and that might have been one of the reasons. The financial capacity of each of the employers and the state of industry to bear the increased burden are factors for which there are no material before me and without it there can be no proper adjudication. Before comparing an establishment in the same trade and in the same region it would be necessary to ascertain the standing, strength of the labour force and what is more important is to know profit made and loss incurred for some years as also the financial position of the concern (*vide Novex Dry Cleaners Vs. Its Workmen*, 1962-I-L.L.J p. 271). None of these facts regarding Orissa Minerals Development Company are before me. It is therefore not a comparable concern.

10. Over and above this, the fact that the Central Government have considered it expedient to include the manganese mining industry as a scheduled establishment under Sec. 26 of Minimum Wages Act is a further factor which dissuades me in fixing a wage structure for the manganese mining industry workers of this Barbil area. It is true that the fixation of minimum wage will not deter industrial adjudication in evolving a fair wage if the demand is justified. At the same time, while fixing a minimum wage for this industry the appropriate Government through an expert advisory body will have an occasion to consider the question from all possible aspects. A fair wage can then alone be considered after the minimum wage has once been determined. When once it has been included as a scheduled employment, it is but natural to expect that minimum wage will also be fixed soon. The unions of the workers may take up the question with the appropriate Government for early fixation of minimum wage. When once this is done, the task of evolving a fair wage if condition of industry improves will be easier and more practicable.

DECISION :—

Considering, therefore, the prevailing condition of the industry, the fact that the award of the Calcutta Tribunal No. II in the dispute with M/s. Orissa Minerals Development Company has not yet become final, the fact that no minimum wage has yet been fixed by the appropriate Government even though employment in manganese mining industry has been scheduled under the Minimum Wages Act and that necessary material has not been produced before me in this adjudication about the financial position of the employers and also the condition of the business, it is not possible to grant any increase in the existing rates of wages of workmen employed in the manganese mines of the employers and also the condition of the business, it is not possible to grant any increase in against M/s. Orissa Minerals Development Company has become final and minimum wage has been fixed by the appropriate Government under the Minimum Wages Act.

The whole question will then be at large if and when such a dispute is raised. No order for costs.

(Sd.) G. C. AGARWALA,
Presiding Officer
5-8-1968.

ANNEXURE

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT, JABALPUR.

CASE REF. No. CGIT/LC(R)(6) OF 1968.

List of Documents filed by the Employers in the Case.

| Distinguishing number/ Exhibit No. | Description of documents | Proved on affidavit by |
|--|---|--|
| 1 | 2 | 3 |
| <i>Documents filed by M/s. B. Patnaik Mines (P) Ltd. (Employer's Serial No. 1)</i> | | |
| EX.E/1 . | Statement of rate of wages paid to different categories and staff, during 1967. | Proved by Shri Santosh Kumar Mohanty on affidavit dated 12-4-1968. |
| Ex.E/2 . | Statement of Pit mouth value per ton (Cash earning of Miner, Prov. Fund, Leave etc.). | Do. |
| Ex.E/3 . | Table showing expenses from Pit mouth to Selling of Manganese Ore. | Do. |
| Ex.E/4 . | Notification dated 30-10-67, extending minimum Wages Act. | Do. |
| Ex.E/5 . | Table showing the cost and Selling price per tonne and the result thereto. | Do. |
| <i>Documents filed by M/s. M.L. Rungta & Co. (Employers Serial No. 2).</i> | | |
| Ex.E/6 . | Rates of Wages and Salaries paid to workmen and staff, for the year 1967. | Filed and proved by Sri R.C.B. Srivastava, C.M.E., on affidavit dated 16-4-1968. |
| Ex.E/7 . | Abstract showing Pit Head value of Minerals for the years 1964—66. | Do. |
| Ex.E/7A . | Table showing wages, salary & O.M.S. of staff, for 1964—66. | Do. |
| Ex.E/7B . | Table showing cost of explosives, fuel and Lubricants, per tonne for 1964—66. | Do. |
| Ex.E/7C . | Abstract showing stores, spares, depreciation etc., per tonne for 1964—66. | Do. |
| Ex.E/7E . | Abstract showing total Pit Head cost per tonne. | Do. |
| Ex.E/7F . | Abstract showing average earning per day of a worker during the year 1966. | Do. |
| Ex.E/8 . | Revised wage structure for China Clay Mines at Karanjia, Bhunda and Andheri. | Do. |
| Ex.E/9 . | News Report published in Hindustan Standard Calcutta dated 23rd March, 1968. | Do. |
| Ex.E/10 . | News Report published in Financial Express Bombay dated 6th March, 1968. | Do. |

| I | 2 | 3 |
|-----------|--|--|
| Ex.E/11 . | List of manganese mines closed . . . | Filed and proved by Sri R.C.B. Srivastava, C.M.E., on affidavit dated 16-4-68. |
| Ex.E/12 . | Copy of Notification dated 30-10-67 extending the minimum wages. | Do. |
| Ex.E/13 . | Revised iron ore royalty rates . . . | Do.. |

Documents filed by M/s. Bhanja Minerals (P) Ltd. (Employers Serial No. 3).

| | | |
|-----------|--|---|
| Ex.E/14 | Average sale value and cost statement of manganese ore sold at pit head. | Filed and Proved by Sri Raghunath Misra on affidavit dated 11-4-68. |
| Ex.E/15 . | Average production and average earning from 1964 to 1967. | Do. |
| Ex.E/16 | Rate of wages paid to the different workers working in Bhanja Minerals. | Do. |
| Ex.E/17 . | List of closed manganese mines . . . | Do. |
| Ex.E/18 . | Notification dated 30-12-67 extending the minimum wages. | Do. |

Documents filed by M/s. K.N. Ram & Co. (Employers Serial No. 5).

| | | |
|-----------|---|---|
| Ex.E/19 . | Statement of wages and salary and cost per tonne. | Filed & proved by Sri Natbarlal Khatau Atha on affidavit dated 15-4-1968. |
| Ex.E/20 . | Satatement of railway head and other expenses. | Do |
| Ex.E/21 . | Statement of Average earning per day per head of piece rated miners and dressers, F.O.R. sale price and average pit head selling price per tonne for the years 1964, 65 & 66. | Do. |
| Ex.E/22 . | Consolidated statement of Ex. E/19, E/20 and E/21 and percent of Ore produced. | Do. |
| Ex.E/23 . | Categorywise rate of wages paid to the workmen during the year 1967. | Do. |
| .. | Statement of account showing the additional burden, if the demand of the Union is met. | Filed by Sri Mangalji Narbheram Atha (E.W.2) during the course of examination in chief. |

Documents filed by M/s. M.S. Deb (Employers at Serial No. 6).

| | | |
|-----------|---|--|
| Ex.E/24 . | List of closed mines . . . | Filed and proved by Sri Gopal Ballav Das on affidavit dated 11-4-1968. |
| Ex.E/25 . | Statement showing explosive, oils fuels and other lubricants. | Do. |
| Ex.E/26 . | Statement of wages and salaries . . . | Do. |
| Ex.E/27 . | Statement showing the different grades of ore of Inganijharan Mines. | Do. |
| Ex.E/28 . | Statement showing the categories of wages, workmen of Inganijharan Mines. | Do. |
| Ex.E/30 . | Statement of categories wages paid during the calendar year 1967. | Filed and proved by Sri Bhag Singh for Employer No. 7. |

(Sd.) G. C. AGGARWALA
Presiding Officer
[No. 37/22/67-LRI.]

ORDERS

New Delhi, the 3rd September 1968

S.O. 3362.—Whereas the Central Government is of opinion that an industry dispute exists between the employers in relation to the management of Sonshi Mine of Messrs. Sesa Goa Private, Limited and their workmen in respect of the matters specified in the Schedule hereto annexed;

And whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Industrial Tribunal, Bombay, constituted under section 7A of the said Act.

SCHEDULE

Whether the termination of services of Shri Jairam Gaunco Watchman of Sonshi Mine by the management of Messrs. Sesa Goa Private Limited with effect from the 23rd March, 1965 is justified? If not, to what relief is he entitled?

[No. 24/36/67-LRI.]

S.O. 3363.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Quarries of the employers mentioned in Schedule I hereto annexed and their workmen in respect of the matters specified in Schedule II hereto annexed;

And, whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Industrial Tribunal, Jabalpur, constituted under section 7A of the said Act.

SCHEDULE I

1. Maihar Stone Lime Company, Maihar.
2. United Trading Company Limited, Maihar.
3. Tiwari Stone Lime Company, Maihar.
4. Rai Lime Company, Maihar.
5. Shrikrishna Stone Lime Company, Maihar.
6. S. K. Kahansons and Company, Maihar.
7. National Stone Lime Company, Maihar.
8. Ghai Stone Lime Company, Maihar.
9. R. S. Chouhan and Company, Maihar.

SCHEDULE II

“Whether the action of the employers in not granting to the workmen the first interim relief in accordance with the recommendations of the Central Wage Board for Lime Stone Industries is justified? If not, to what relief are these workmen entitled and from what date?”

[No. 36/17/67-LRI(i).]

S.O. 3364.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Quarries of the 12 employers mentioned in Schedule I hereto annexed and their workmen in respect of the matters specified in the Schedule II hereto annexed;

And, whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Industrial Tribunal, Jabalpur, constituted under section 7A of the said Act.

SCHEDULE I

- (1) Jiwanmal and Sons (P) Limited, Maihar.
- (2) Maihar Stone Lime Company Limited, Maihar.
- (3) United Trading Company Limited, Maihar.
- (4) Tiwari Stone Lime Company, Maihar.
- (5) Rai Lime Company, Maihar.
- (6) Shrikrishna Stone Lime Company, Maihar.
- (7) S. K. Kahansons and Company, Maihar.
- (8) National Stone Lime Company, Maihar.
- (9) Diwan Lime Company, Maihar.
- (10) S. N. Sunderson and Company, Maihar.
- (11) Ghai Stone Lime Company, Maihar.
- (12) R. S. Chouhan and Company, Maihar.

SCHEDULE II

Whether the demand of the workmen, that they should be paid the second interim relief in accordance with the recommendations of the Central Wage Board for Lime Stone Industries, is justified? If so, to what relief are they entitled?

[No. 36/17/67-LRI(ii).]

S.O. 3365.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Central Bank of India Ltd., Sri Ganganagar and their workmen in respect of the matters specified in the Schedule hereto annexed;

And, whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by section 7A, and clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby constitutes an Industrial Tribunal at Chandigarh of which Shri Ishwar Das Pawar shall be the Presiding Officer and refers the said dispute to it for adjudication.

SCHEDULE

Whether the action of the management of the Central Bank of India Limited, Sri Ganganagar in terminating the services of Shri Madan Lal Ratra, Assistant Cashier-cum-Godown Keeper was legal and justified? If not, to what relief is he entitled?

[No. 23/46/68-LR.III.]

New Delhi, the 4th September 1968

S.O. 3366.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Oriental Fire and General Insurance Company Limited, Kanpur and their workmen in respect of the matters specified in the Schedule hereto annexed;

And, whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by section 7A, and clause (d) of sub-section (1) of section 10, of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby constitutes an Industrial Tribunal, of which Sri Mithan Lal shall be the Presiding Officer, with headquarters at Allahabad, and refers the said dispute for adjudication to the said Tribunal.

SCHEDULE

Whether the management of the Oriental Fire and General Insurance Company Limited, Kanpur was justified in discontinuing the services of Shri Changa Lal from September, 1967. If not, to what relief is the workman entitled?

[No. 25/29/68-I.R.III.]

New Delhi, the 7th September 1968

S.O. 3367.—Whereas an industrial dispute specified in the Schedule hereto annexed is pending before the National Industrial Tribunal, Calcutta, constituted by the notification of the Government of India in the Ministry of Labour, Employment and Rehabilitation No. S.O. 4028 dated the 3rd November, 1967;

And whereas the Services of the Presiding Officer of the said Tribunal have ceased to be available;

And whereas for the ends of justice the dispute should be disposed of without delay;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 33B, and section 7B of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby withdraws the proceedings in relation to the said dispute from the National Industrial Tribunal, Calcutta with Shri S. K. Sen as the Presiding Officer, constitutes a National Industrial Tribunal at Calcutta of which Shri B. N. Banerjee, shall be the Presiding Officer, and transfers the said dispute to it and directs that the Tribunal shall proceed with the said proceedings from the stage at which they are transferred and dispose of the same according to law.

| Sl. No. | Parties to the dispute | No. of reference | Date of reference |
|---------|--|------------------|-------------------|
| 1. | Hindustan Machine Tools I, Banagalore, Hindustan Machine Tools II, Bangalore & Hindustan Machine Tools IV, Kalamassery, Kerala and their workmen. | S.O. 3853 | 17-10-1967 |

[No. 4/138/67/LRIII.]

New Delhi, the 13th September 1968

3368.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Central Bank of India Limited, Calcutta, and their workmen in respect of the matters specified in the Schedule hereto annexed;

And, whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Central Government Industrial Tribunal, Calcutta, constituted under section 7A of the said Act.

SCHEDULE

Whether the action of the management of the Central Bank of India Limited, Calcutta Main Office, in withholding the due increment of Shri Haridas Saha, Business Canvasser (Junior Officer) for the years 1959 to 1963 was justified. If not, to what relief is the employee entitled?

[No. 23/41/68-LRIII.]

O. P. TALWAR, Under Secy.

(Department of Labour and Employment)

New Delhi, the 10th September 1968

S.O. 3369.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal No. 2, Dhanbad, in the industrial dispute between the employers in relation to the Bhowra Colliery, Post Office Bhowra, District Dhanbad and their workmen, which was received by the Central Government on the 7th September, 1968.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL (NO. 2) AT DHANBAD

PRESENT:

Shri Nandagiri Venkata Rao, Presiding Officer

REFERENCE NO. 106 OF 1967

In the matter of an industrial dispute under Section 10(1)(d) of the Industrial Disputes Act, 1947.

PARTIES:

Employers in relation to the Bhowra Colliery, Post Office Bhowra, District Dhanbad

AND

Their workmen

APPEARANCES:

For the employers—Shri K. C. Nandkeolyar, Deputy Chief Personnel Officer.*For the workmen*—Shri B. Lall, Vice President, Khan Mazdoor Congress.

STATE : Bihar.

INDUSTRY : Coal-

Dhanbad, 4th September, 1968/13th Bhadra, 1890 (Saka)

AWARD

The Central Government, being of opinion that an industrial dispute exists between the employers in relation to the Bhowra Colliery, Post Office Bhowra, District Dhanbad and their workmen, by its order No. 2/15/66-LRII dated 11th February, 1966 referred to the Central Government Industrial Tribunal, Dhanbad under Section 10(1)(d) of the Industrial Disputes Act, 1947 for adjudication of the dispute in respect of the matters specified in the schedule annexed thereto. The schedule is extracted below:

SCHEDULE

"Whether the management of the Bhowra Colliery was justified in terminating the services of Shri Khublal Saw, M. C. Loader, with effect from the 6th December, 1965? If not, to what relief is the workman entitled?"

2. The Central Government Industrial Tribunal, Dhanbad registered the reference as Reference No. 21 of 1966 on its file. Workmen filed their statement of demands. While it was pending before the Central Government Industrial Tribunal, Dhanbad, the proceeding was transferred to this Tribunal, by the Central Government by its order No. 8/25/67-LRII dated 8th May, 1967. Consequently, the reference is renumbered on the file of this Tribunal as reference No. 106 of 1967. Employers filed their statement of demands.

3. It is not in dispute that Shri Khublal Saw, (hereinafter referred to as the affected workman) was a M. C. Loader in the colliery of the employers, that he went on leave without wages with effect from 21-6-1965 to 27-6-1965, that instead of reporting for duty on 28-6-1965 he sent a letter for extension of his leave upto 27-7-1965, that again instead of joining duty he sent another letter dated 28-7-1965 for extension of his leave upto 13-8-1965, that again, instead of reporting for duty he sent an application on 14-8-1965 for extension of his leave upto 14-9-1965, that ultimately he appeared in the colliery asking for work on 2-12-1965 and that the employers terminated his lien on his employment with effect from 6-12-1965. The case of the workmen is that the affected workman was given no opportunity to explain his delay in reporting for duty, that the affected workman presumed that the extensions sought for by him were granted because the employers did not send any reply to his extension applications and that the affected workman had been victimised for his trade union activities. The employers at the outset pleaded that, even if the extensions sought for by the affected workman were presumed to have been granted the extension was only upto 14-9-1965, that there was no application for extension beyond 14-9-1965, that there was absolutely no explanation why he reported beyond 2 months after 14-9-1965 and that in terms of order 11 of the Certified Standing Orders the affected workman had lost the lien on his appointment automatically when he did not report to duty within 8 days of the expiry of the leave. The workmen were represented by Shri B. Lall, Vice President, Khan Mazdoor Congress and the employers by Shri K. C. Nandkeolyar, Deputy Chief Personnel Officer. By consent of parties, Exts. M1 to M4 were marked. The employers examined a witness and marked Exts. M5 to M12. No witness was examined and no document was marked for the workmen.

4. I find considerable force in the argument of Shri K. C. Nandkeolyar, the learned representative of the employers that when the affected workman had not returned within 8 days of the sanctioned leave he automatically lost lien on his appointment. The proposition is amply supported by the decision of the Supreme Court in National Engineering Industries Limited, Jaipur *Vs.* Hanuman (1967-II-L.L.J.883) and the judgments of the Patna High Court in C.W.J.C. 779/67 dated 2nd February 1968 in Pure Kustore Colliery *Vs.* General Secretary, Khan Mazdoor Congress and others and C.W.J.C. 10668 dated 9th August 1968 in Malkera Colliery *Vs.* Presiding Officer, Central Government Industrial Tribunal (No. 2) and others. Even if the explanation of the affected workman could be taken into consideration, there is no explanation as to why he did not join duty on 15th September 1965, when all the extensions of leave sought for had expired and why he had reported to duty only on 2nd December 1965, beyond 2 months. He had asked for extension of his leave on the ground that his wife was ill, but there is no material to contend that she was ill beyond 14th September 1965. Ext. M8 clearly shows that the affected workman was given an opportunity to explain the delay in his reporting for duty. The workman did not lead any evidence to show that the affected workman was victimised for his trade union activities. Thus, I find no case for the workman.

5. I, therefore, hold that the management of the Bhowra Colliery was justified in terminating the services of the affected workman, Shri Khublal Saw, M. C. Loader with effect from the 6th December, 1965 and, consequently, he is not entitled to any relief. The award is made accordingly and submitted under Section 15 of the Industrial Disputes Act, 1947.

(Sd.) N. VENKATA RAO, Presiding Officer,

Central Government Industrial Tribunal

(No. 2) at Dhanbad.

[No. 2/15/66-LRII.]

S.O. 3370.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal No. 2, Dhanbad, in the industrial dispute between the employers in relation to the Bhowra Colliery, Post Office Bhowra, District Dhanbad, and their workmen, which was received by the Central Government on the 7th September, 1968.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL (NO. 2) DHANBAD

PRESENT :

Shri Nandagiri Venkata Rao, Presiding Officer

REFERENCE No. 111 of 1967

In the matter of an industrial dispute under Section 10(1)(d) of the Industrial Disputes Act, 1947.

PARTIES :

Employers in relation to the Bhowra Colliery, Post office Bhowra, District Dhanbad

AND

Their Workmen

APPEARANCES :

For the employers:—Shri K. C. Nandkeoliyar, Deputy Chief Personnel Officer.

For the workmen:—Shri B. Lall, Advocate.

STATE : Bihar.

INDUSTRY : Coal.

Dhanbad, 3rd September, 1968

12th Bhadra, 1890 (Saka).

AWARD

The Central Government, being of opinion that an industrial dispute exists between the employers in relation to the Bhowra Colliery, Post office Bhowra, District Dhanbad and their workmen, by its order No. 2/114/65-LR-II dated 24th February, 1966 referred to the Central Government Industrial Tribunal Dhanbad under Section 10(1)(d) of the

Industrial Disputes Act, 1947 for adjudication of the dispute in respect of the matters specified in the schedule annexed thereto. The schedule is extracted below :

SCHEDULE

"Whether the management of the Bhowra Colliery were justified in terminating the lien on the appointment of Shri Dewan Pashi, Miner, *vide* their letter No. WON/OS/64/1202 dated the 3rd December, 1964? If not, to what relief is the workman entitled?"

2. The Central Government Industrial Tribunal, Dhanbad registered the reference as Reference No. 33 of 1966 on its file. Workmen filed their statement of demands. While it was pending before the Central Government Industrial Tribunal, Dhanbad, the proceeding was transferred to this Tribunal, by the Central Government by its order No. 8/25/-67-LRII dated 8th May, 1967 under Section 33-B of the Industrial Disputes Act, 1947. Consequently, the reference is renumbered on the file of this Tribunal as reference No. 111 of 1967. Employers filed their statement of demands.

3. Shri Dewan Pashi (hereinafter referred to as the affected workman) was a pick miner in the colliery of the employers. He went on leave with pay from 5th October, 1964 to 26th October, 1964. He was to return and join duty on and from 27th October, 1964. But he did not do so. He sent a letter on 26th October, 1964, posted on 27th October, 1964 asking for indefinite extension of leave. The employers did not reply to that letter. He appeared for duty on 28th November, 1964. The employers did not permit him to join duty but issued a charge-sheet asking him for explanation for his overstay upto 27th November, 1964 without permission. The affected workman submitted his explanation on 30th November, 1964 along with a certificate from the Gram Panchayat Secretary. The employers did not find the explanation satisfactory and caused a domestic enquiry to be held into the charge-sheet. The affected workman participated in the enquiry. The Enquiry Officer found the affected workman guilty of the charge and as a result, the employers terminated his lien on his post of permanent pick miner and placed him on the badli list. These facts are not in dispute. The case of the workmen is that the affected workman's lien has been terminated wrongly and in order to victimise him for his trade union activities and that no intimation was sent to the affected workman regarding the factum of refusal of extension of leave prayed for by him and as such he presumed the leave to have been extended. The employers filed their statement pleading at the outset that in terms of order 11 of the Certified Standing Orders the affected workman lost his lien on his appointment automatically when he did not return within 8 days of the expiry of the leave. They further stated that even then they called for his explanation, held domestic enquiry in accordance with the principles of natural justice and terminated his lien on his appointment when he was found guilty by the Enquiry Officer. The workman were represented by Shri B. Lall, Advocate and the employers by Shri K. C. Nandkeolyar, Deputy Chief Personnel Officer. By consent of parties Exts. M1 to M10 were marked. On behalf of the employers a witness was examined and Exts. M11 to M13 were marked. No witness was examined and no document was marked for the workman.

4. Order 11 of the Certified Standing Orders lays down—

"If an employee remains absent beyond the period of leave originally granted or subsequently extended he shall lose his lien on his appointment under:—

- (1) he returns within 8 days of the expiry of the leave, and
- (2) gives an explanation to the satisfaction of the Manager of his inability to return before the expiry of leave. In case the employee lose his lien on the appointment he shall be entitled to be kept on the "Badli" list."

Admittedly, the affected workman over-stayed his leave by a month and a day. The contention of the employers is that when the affected workman did not return within 8 days of the expiry of the leave he lost lien on his appointment automatically and as such there could be no occasion to call for any explanation from him or hold any domestic enquiry against him. The employers are supported abundantly in their contention by the judgment of the Supreme Court in *National Engineering Industries, Limited, Jaipur Vs. Hanuman* (1967-II-L.L.J. 883) and judgments of the Patna High Court in *C.W.J.C. 779/67* dated 2nd August, 1968 in *Pure Kastore Colliery Vs. General Secretary, Khan Mazdoor Congress and others* and *C.J.W.J. 106/68* dated 9th August, 1968 in *Malkera Colliery Vs. Presiding Officer Central Govt. Industry Tribunal (No. 2) and others*. On this point alone the reference requires to be answered in favour of the employers.

5. The employers gave a charge-sheet, Ext. M1 affording an opportunity to the affected workman to explain his overstay of his leave. The explanation submitted by him is Ext. M2. Ext. M4 is the notice of enquiry. The enquiry proceedings are Ext. M11 and the report of the Enquiry Officer is Ext. M12. Ext. M5 is the dismissal order. The

enquiry proceedings, Ext. M11 show and it is admitted by the workmen that the affected workman had received notice of the enquiry, participated in the enquiry and gave his statement also to the Enquiry Officer. The enquiry report, Ext. M12 shows that the report of the Enquiry Officer was approved by the Manager, Ext. M12(a) and also by the Agent, Ext. M12(b). The contention of the workmen is that the affected workman had sent an application for extension of his leave on 24th October, 1964 by a registered post. But the contention is incorrect because the postal receipt for the letter, Ext. M7 and the cover containing the letter, Ext. M13 clearly show on them the postal stamp under date 27th October, 1964. The leave of the affected workman had expired on 26th October, 1964 and as such it is abundantly clear that he chose to send the letter for extension of leave after expiry of his leave. In the letter he did not mention upto what date he sought the extension, under no law or Standing Order the employers were bound to grant the indefinite extension sought for by the affected workman and as such he had no reason to presume that the indefinite extension sought for by him was granted. Neither it is alleged nor proved in what way the domestic enquiry was against the principles of natural justice. MW1 was the Enquiry Officer. Nothing is elicited in his cross-examination to support the case set up by the workmen. There is absolutely no evidence that the action taken by the employers against the affected workman was actuated by the motive to victimise him for his trade union activities. As I have stated already, no document is filed and no witness is examined on behalf of the workmen.

6. I, therefore, hold that the management of Bhowra Colliery was justified in terminating the lien on the appointment of Shri Dewan Pashi, Miner, *vide* their letter No. WON/OS/64/1202, dated 3rd December, 1964, and, as such, he is not entitled to any relief. The Award is made accordingly and submitted under Section 15 of the Industrial Disputes Act, 1947.

(Sd.) N. VENKATA RAO,

Presiding Officer,

Central Govt. Industrial Tribunal (No. 2),

Dhanbad.

[No. 2/114/65-LRII.]

New Delhi, the 11th September 1968

S.O. 3371.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal No. 2, Dhanbad, in the industrial dispute between the employers in relation to the Katras Choitudih Colliery of Messrs Burakar Coal Company Limited, Post Office Katrasgarh, District Dhanbad and their workmen, which was received by the Central Government on the 7th September, 1968.

BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL (NO. 2) AT DHANBAD

PRESENT

Shri Nandagiri Venkata Rao, Presiding Officer.

REFERENCE No. 101 OF 1967

In the matter of industrial dispute under Section 10(1) (d) of the Industrial Disputes Act, 1947.

PARTIES:

Employers in relation to the Katras Choitudih Colliery of Messrs Burakar Coal Company Limited, Post Office Katrasgarh, District Dhanbad.

AND

Their workmen

APPEARANCES:—

For the employers: Shri D. Narsingh, Advocate.

For the workmen: Shri Shankar Bose, Secretary, Colliery Mazdoor Sangh.

STATE: Bihar.

INDUSTRY: Coal.

Dhanbad, 2nd September, 1968

AWARD

The Central Government, being of opinion that an industrial dispute exists between the employers in relation to the Katras Choitudih Colliery of Messrs Burakar Coal Company

Limited, Post office Katrasgarh, District Dhanbad and their workmen, by its order No. 2/148/65-LRII dated 25th January 1966 referred to the Central Government Industrial Tribunal, Dhanbad under Section 10(1)(d) of the Industrial Disputes Act, 1947 for adjudication of the dispute in respect of the matters specified in the schedule annexed thereto. The schedule is extracted below.

SCHEDULE

- I. Whether the management of Katras Choitudih Colliery of Messrs Burakar Coal Company Limited was justified in dismissing Shri Keshar Pandey, Timber Mazdoor, with effect from the 1st July, 1965? If not, to what relief is the workman entitled?
- II. Whether the management of Katras Choitudih Colliery of Messrs Burakar Coal Company Limited was justified in dismissing Shri Shyam Narayan Singh, Pump Khalasi, with effect from the 7th August 1965? If not, to what relief is the workman entitled?"

2. The Central Government Industrial Tribunal, Dhanbad registered the reference as reference No. 14 of 1966 on its file. While it was pending before the Central Government Industrial Tribunal, Dhanbad, the proceeding was transferred to this Tribunal, by the Central Government by its order No. 8/25/67-LRII dated 8th May, 1967 under Section 33-B of the Industrial Disputes Act, 1947. Consequently, the reference is renumbered on the file of this Tribunal as reference No. 101 of 1967. Employers as the workmen filed their statements of demands.

3. Admittedly, Sarvashri Keshar Pandey and Shyam Narayan Singh (hereinafter referred to as the affected workmen) were respectively Timber Mazdoor and Pump Khalasi in Katras Choitudih Colliery of the employers and they were dismissed from service with effect from 1st July, 1965 and 7th August 1965, respectively as a result of domestic enquiries conducted against them. The case of the workmen is that the domestic enquiries conducted against the effected workmen were organised shows in violation of principles of natural justice and that the dismissal orders issued against the affected workmen were without jurisdiction. They further pleaded that the action of the employers against the affected workmen was actuated with the motive to penalise them for their trade union activities. The workmen were represented by Shri Shankar Bose, Secretary, Colliery Mazdoor Sangh and the employers by Shri D. Narsingh, Advocate. By consent of parties Exts. W.1 to W.3 and M1 to M6 were marked. On behalf of the employers a witness was examined and Exts. M7 to M11 were were marked. No witness was examined for the workmen.

4. The only short question falling for determination at the outset is whether the domestic enquiries held against the two affected workmen were proper. Ext. M1 is a charge-sheet issued to the first affected workman, Shri Keshar Pandey. The charge was of misconduct under clauses (a) and (h) of the order 14(3) of the Standing Orders, Ext. M7, stating that on the first shift on 1st June, 1965 the affected workman, Shri Keshar Pandey was asked by the Assistant Manager to work in the east section, but instead of going to the east section he was found in the west section and he abused Shri Hiralal Singh, Overman and that on 2nd June, 1965 he abused again Shri Hiralal Singh and threatened him with dire consequences and persisted in not going to work in the east section. The reply of the affected workman was that he did not go to the section because there was no mistry. He denied that he misbehaved with any one. The charge and explanation are admitted by the workmen. The charge-sheet against the 2nd affected workman is Ext. M4. The charge was of misconduct under clause (h) of order 14(3) of the Standing Orders, Ext. M7, in that the affected workman, Shri Shyam Narayan Singh abused Shri G. M. Garg, Ist Class Assistant, in most filthy language at East Pit Cabin on the 3rd shift on 20th July, 1965. The affected workman Shri Shyam Narayan Singh denied the charge in its entirety. This charge and explanation are also admitted by the workmen. The notices of the enquiries, Exts. M2 and M5 to the affected workmen are also admitted. MW1 was the Welfare Officer of the employers colliery during the material period and he conducted the two domestic enquiries against the two affected workmen. The enquiry proceedings against the first affected workman, Shri Keshar Pandey are Ext. M8, enquiry report is Ext. M10 and the dismissal order is Ext. M3. The enquiry proceedings against the 2nd affected workman, Shri Shyam Narayan Singh are Ext. M9, report of enquiry is Ext. M11 and the dismissal letter is Ext. M6. MW1, has in his evidence that the enquiry proceedings Exts. M8 and M9 were recorded by him correctly that he had read over and explained the statements to the witnesses and added certificates to that effect on the statements that both the affected workmen were present in the enquiries throughout, that they have cross-examined some of the management's witnesses, that he gave full opportunity to the affected workmen for cross-examination and for defending themselves, that the first affected workman, Shri Keshar Pandey examined defence witnesses but the 2nd affected workman, Shri Shyam Narayan Singh did not examine any witness and that after the closure of the

management's evidence and before starting to record defence evidence he had recorded statements of the two affected workmen. The witness was cross-examined at length but nothing is elicited to support the case of the workmen that the enquiries were organised shows or that they were perverse or vitiated by the principles of natural justice. Ext. M7 is a copy of the Model Standing Orders. MW.1 has deposed that during the material period the Standing Orders of the colliery were not yet certified and as such, Model Standing Orders were applicable to the colliery. The first affected workman, Shri Keshar Pandey was charged under clauses (a) and (h) and the 2nd affected workman, Shri Shyam Narayan Singh under clause (h) alone of order of 14(3) of the Model Standing Orders. The clauses respectively deal with wilful insubordination or disobedience to any lawful and reasonable order of a superior and riotous or disorderly behaviour during working hours at the establishment. I do not see any legal flaw or violation of any principles of natural justice in the domestic enquiries conducted against the two affected workmen. Order 14(4) of the Model Standing Orders, Ext. M7 lays down that the approval of the Manager of the establishment is required in every case of dismissal. In the instant case the orders of dismissal of the two affected workmen are respectively. Exts. M3 and M6. They are issued under the signature of the Manager. It is however further mentioned that the dismissal had been approved by the Agent. Shri Shankar Bose, the learned representative of the workmen has argued that the Manager did not record that he had gone through the enquiry proceedings and was satisfied with the findings of the Enquiry Officer. But no such provision is laid down in the Model Standing Orders. There is absolutely no counter evidence led on behalf of the workmen. Nor is there any evidence brought on record to substantiate the allegation that the action of the employers against the affected workmen was actuated with the motive to penalise them for their trade union activities. Under these circumstances I have no hesitation to hold that the dismissal of the two affected workmen was justified.

5. I, therefore, hold that the management of Katras-Choitudih Colliery of Messrs Burakar Coal Company Limited, Post Office, Katrasgarh, District Dhanbad was justified in dismissing Shri Keshar Pandey, Timber Mazdoor with effect from 1st July, 1965 and Shri Shyam Narayan Singh, Pump Khalasi with effect from 7th August, 1965, and, as such, the two affected workmen are not entitled to any relief. The Award is made accordingly and submitted under Section 15 of the Industrial Disputes Act, 1947.

(Sd.) N. VENKATA RAO,

Presiding Officer,

Central Government Industrial Tribunal (No. 2) Dhanbad.

[No. 2/148/65-LRII.]

S.O. 3372.—In pursuance of section 17 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the following award of the Industrial Tribunal, Calcutta, in the industrial dispute between the employers in relation to the Dutta's Central Kajora Colliery, Post Office Kajoram, District Burdwan and their workmen, which was received by the Central Government on the 30th August, 1968.

CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, CALCUTTA

REFERENCE NO. 90 OF 1967

PARTIES :

Employers in relation to the Dutta's Central Kajora Colliery,

AND

Their workmen.

PRESENT:

Shri B. N. Banerjee, Presiding Officer.

APPEARANCES:

On behalf of Employers—Shri K. P. Mukherjee, Counsel.

On behalf of Workmen—Shri Kalyan Sankar Roy, General Secretary, Indian Mine Workers Federation.

STATE: West Bengal.

INDUSTRY: Coal Mines.

AWARD

By an Order No. 6/92/66-LRII, dated November 18, 1967, the Government of India, in the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), referred the following dispute to this tribunal for adjudication:—

"Whether the dismissal of Shri Madho Singh, Night Guard, with effect from the 31st May, 1966 by the management of Dutta's Central Kajora Colliery was justified? If not, to what relief is the workman entitled?"

2. Since 1958, Madho Singh, the workman concerned, used to work under the Dutta's Central Kajora Colliery (hereinafter described as the employer company). It appears from the judgment of the Calcutta High Court, in Criminal Appeal No. 600 of 1962, in which the said Madho Singh was one of the Appellants (item 1 of the document collectively marked Ext. 1), that along with Madho Singh several others, including one Hari Ram Rajpuriya, were prosecuted and the prosecution case was that in January or February, 1961 the workers of the employer company's colliery joined the Colliery Mazdoor Union, a trade union affiliated to the Indian National Trade Union Congress. One Keshab Banerjee was the General Secretary of this union. The start of trade union activities had unfavourable repercussion on the workmen and some of them were dismissed and against other criminal prosecutions were started. On September 10, 1961, Keshab Banerjee called a meeting of the workers of the union, at about 12 noon, at Lachipur Gate by the side of the Grand Trunk Road, a little away from the colliery. This meeting was attended by the dismissed workmen of the colliery concerned as also men from other collieries. The meeting continued from 12 to 2 P.M. and thereafter the men started in a procession towards the Kajora colliery office and dhowrahs. This procession was joined by about one thousand men with the object of ventilating grievances before the management. They proceeded along the Grand Trunk Road and then diverted on the colliery approach road towards the north. When the procession was near the second culvert between the diversion from the Grand Trunk Road and the colliery office, a truck loaded with men came from the colliery side. In the lorry, there were 30 to 40 persons, armed with *farsas*, lathis and other weapons. The truck stopped near the culvert and obstructed the procession. Hari Ram Rajpuriya, who was the agent and Secretary of the Kajora colliery, came from a jeep from behind the truck and gave orders to the men in the truck, in the name of the management, to assault the processionists. The men who had come in the truck, fell upon the processionists and started assaulting them, as a result of which one Chandrika Sahi and also others received injuries. Jethu Singh assaulted Chandrika Sahi with a lathi while Nathu Singh and Madho Singh, the workman concerned, struck one of the processionists, Chandra Bhan Singh with *farsas*. Chandra Bhan Singh was struck on his head and leg, fell down profusely bleeding and died on the spot before he could be removed to the hospital.

3. The police took up the case and arrested several persons. On the prosecution case as related above about 22 persons were committed to Sessions under various charges of the Indian Penal Code. The Sessions Judge altered the charges framed by the Magistrate and the trial proceeded for offences under Section 302/149 and also under Sec. 147 of Indian Penal Code against all the accused persons and under Section 148 of the Indian Penal Code against three accused persons, namely, Nathu Singh, Madho Singh and Rambrich Singh and under 324 I.P.C. against Rambrich Singh and Madho Singh.

4. The learned Sessions Judge found 11 persons, who later on appealed to the High Court, guilty under Section 147 of the Indian Penal Code for rioting and sentenced each of them to rigorous imprisonment for six months. He found appellant Nathu Singh and Madho Singh guilty under Section 148 of Indian Penal Code of rioting armed with deadly weapons, convicted them under Section 148 of Indian Penal Code and sentenced each of them to rigorous imprisonment for two years. He further convicted Nathu Singh and Madho Singh under Section 304, Part II read with Section 34 of Indian Penal Code for causing death to Chandra Bhan Singh and sentenced each of them to rigorous imprisonment for 10 years. The other accused persons were not found guilty.

5. On appeal, the High Court allowed the appeals of Nathu Singh and Madho Singh in part. Their sentence under Section 148 and 302/34 Indian Penal Code, was set aside and instead they were convicted under Section 147 of the Indian Penal Code and sentenced to rigorous imprisonment for six months. The appeal by the other accused persons, including that of Hari Ram Rajpuriya was dismissed. Since Madho Singh had not been given bail, pending hearing, and had served out his jail sentence by the time the judgment by the High Court was pronounced, he was ordered to be released at once.

6. There is no dispute that after his release, Madho Singh presented himself for re-employment at the office of the employer company. He was forthwith employed as a Nightguard. The reason given by the employer, why Madho Singh, an exconvict, was readily given employment, I shall have occasion to deal with hereinafter. I need notice,

at this stage, that Hari Ram Rajpuriya was also given employment on his release from jail and that he is still in the employment of the employer company. The case pleaded by the management in the written statement is:

- (a) that Madho Singh approached the management, after January 7, 1965, and falsely represented that he was acquitted by the High Court. Relying on his representation, the management re-employed him in his job as a Nightguard with effect from February 1, 1965, as a new entrant;
- (b) that eleven other convicted persons, after undergoing their respective jail sentence, approached the management with claim for re-employment but the management could not agree to the same. A dispute was raised in this regard by Keshab Banerjee, the General Secretary of the Colliery Mazdoor Union;
- (c) that a conciliation proceeding was started over the said matter and in course of this conciliation proceedings the management perused a certified copy of the judgment of the High Court and came to know, for the first time, that Madho Singh had not been acquitted;
- (d) that, on October 21, 1965, there was a settlement arrived at between the union and the management before the Assistant Labour Commissioner (C), Raniganj, and it was agreed that the management will not make any discrimination in the matter of re-employment of persons convicted in the aforesaid criminal case. Madho Singh, who was re-employed under the mistaken belief that he had been acquitted by the High Court, would be treated in the same manner with the other convicted persons meaning thereby that his re-employment will be taken away from him.

The settlement referred to in the written statement is item No. 2 of the three documents collectively marked Ext. A and reads:-

"The General Secretary, Colliery Mazdoor Union, Asansol represented to this office vide his letter No. C 52K/1169/65, dated 8th July, 1965 stating that S/Shri Ramanand Ram (2) Tuleswar Dusad (3) Kailash Singh (4) Munilal Dusad (5) Rambharat Mahato (6) Jetu Singh (7) Hazari Singh of Dutta's Central Kajora Colliery had been wrongfully dismissed and requested this Office to intervene in the matter and do the needful."

The parties were called for discussions on several occasions and ultimately the matter was taken into conciliation on 21st October, 1965. The parties agreed to settle the matter on the following terms:—

Terms of Settlement

- (1) The management agreed not to discriminate amongst the workers who were involved and sentenced in the criminal cases viz. S/Shri Hari Ram Rajpuriya (2) Nakul Ch. Goswami (3) Madho Singh (4) Natho Singh and the 7 workers mentioned in the Union's letter stated above.
- (2) The Union will not press for re-instatement of the 7 workers mentioned in the Union's letter.
- (3) The management agreed not to keep in their employment any of the 4 workers mentioned in Para (1) above after 31st October, 1965.
- (4) The management agreed to pay Rs. 200/- each to 7 workers mentioned below as *ex-gratia* payment over and above their legal dues including proportionate leave dues for 1965 up to the date of termination of their services.

| Sl. No. | Name | Designation |
|---------|----------------------|-----------------|
| 1. | Shri Ramanand Ram | Haulage Khalasi |
| 2. | Shri Tuleswar Dusad | Surface Trammer |
| 3. | Shri Kailash Singh | Body Searcher |
| 4. | Shri Munilal Dusad | Ug. Trammer |
| 5. | Shri Rambharat Mahat | Surface Trammer |
| 6. | Shri Jetu Singh | Night Guard |
| 7. | Shri Hazari Singh | Peon |

- (5) The management agreed to pay profit sharing Bonus to the seven workers mentioned in item 4 above along with other workers when payable.
- (6) The payments mentioned above the management agree, will be paid by 1st November, 1965.
- (7) The Union agreed that the 7 workers mentioned in the Union's letter will vacate the quarter within 7 days of receiving their payment."

The settlement bears the date, October 21, 1965, and is signed by Shri H. P. Bhalotia, on behalf of the employer company, Keshab Banerjee, on behalf of workmen and Shri N. M. Shaw, Assistant Labour Commissioner.

7. Pursuant to this settlement, it is alleged by the management, following letter was written to the workman concerned on May 31, 1966 (item 1 of the bundle of document collectively marked Ext. 1):—

"Now you are fully recovered from your illness, the mercy period expires. In accordance with the terms of settlement arrived at the office of the Assistant Labour Commissioner, Raniganj, between the Union and the employer *vide* Memorandum of settlement No. 16(260)/65 dated 21st October, 1965, your service is hereby dispensed with and with immediate effect."

To this letter the workman sent the following reply on the same day (item 2 of the bundle of documents collectively marked Ext. 1) expressing his surprise at the language used in the first paragraph of the letter and further stating:

"What are the terms of the settlement arrived at the office of the Asstt. Labour Commissioner (C). Raniganj on 21/10/65 with which Union? Am I a party to that?"

Please note that I was working upto 1st June, 1966. I was not ill at all. So the question of recovery from illness and mercy period does not arise at all.

I am not aware of any settlement with any Union at the A.L.C. (C), Raniganj. I am not a party to the same and I am not binding with any agreement.

Your above said letter is quite illegal, vague and *mala fide* and is concocted with an intention of harassing and victimising me for my active participation with the Red Flag Union you do not like at all.

Please withdraw your letter and allow me to resume my duty and stop harassing me."

After the lapse of about 7 weeks, the management replied to this letter, on July 21, 1966, in the following line (item 3 of the bundle of documents collectively marked Ext. 1):—

"In reference to your letter dated 6th June, 1966 received on 8th June, 1968 it is well known to you that you have been convicted with six months R.I. by Honourable High Court, Calcutta.

The Union (Colliery Mazdoor Union) insisted that all those persons who were convicted in the criminal case along with you should be dealt with the same manner and there should not be any discrimination and the said Union raised an industrial dispute before the Assistant Labour Commissioner, Raniganj.

The said Conciliation proceeding concluded in a settlement on 21st October, 1965 where in it was agreed that you should be dismissed in view of your afore-said conviction in the criminal case.

It is not for us to decide whether the Union had any competence to represent you in the said proceeding or not and you are requested to take up the matter with the Assistant Labour Commissioner, Raniganj, if you so like but so far we are concerned your service has been lawfully terminated and we cannot do any further in it."

8. The Colliery Mazdoor Sabha took up the case of the workman and the industrial dispute was ultimately referred to the tribunal.

9. Before I take up the written statement, filed in this reference by the Colliery Mazdoor Sabha on behalf of the workman, I cannot resist the temptation of dealing with a part of the written statement filed by the employer company. In paragraph 14 of the written statement it is stated that before dismissing Madho Singh, in terms of the settlement, the employer issued a notice, dated November 16, 1965, to the workman calling upon him to show cause to the following charge of misconduct (Ext. 1):—

"You misrepresented to us that you have been acquitted by the Hon'ble High Court in the Criminal Case. But it is found that you have been convicted u/s 147 for 6 months by the said court. Under the circumstances you are hereby directed to show cause within 48 hours why disciplinary action will not be taken against you for the above misconduct."

The workman replied to this chargesheet, totally denying the allegations. It is further stated in paragraphs 15, 16 and 17 of the said written statement that:

(a) The explanation offered by the workman was not found acceptable and a domestic enquiry was fixed on December 13, 1965.

(b) The said enquiry was adjourned to January 10, 1966,

- (c) The enquiry as notified was duly held in the presence of the workman but he refused to sign his name although he gave his statement.
- (d) There was no necessity for holding a domestic enquiry but for abundant caution this was done and the workman's services were dispensed with from May 31, 1966.

10. It is somewhat curious that this part of the written statement was not stressed upon at the time of hearing. Shri Mukherjee, learned Counsel for the employer company, frankly confessed that the enquiry had not been held in compliance with the principles of natural justice and he would not rely upon the enquiry or the result thereof. He made it clear that I should proceed on the theory that the service of the workman was terminated on the basis of the settlement and not as a result of the domestic enquiry for misconduct. I have, therefore, to proceed on the basis that the employer company knew well that the workman had served out his sentence of imprisonment at the time of re-employing him.

11. In the written statement filed by the Colliery Mazdoor Sabha on behalf of the workman concerned, the management was painted in a very dismal colour. It was alleged that the management was guilty of unfair labour practice. Because of such conduct, the workmen had to form a branch of the Colliery Mazdoor Sabha in the local area, early in 1966 so as to safeguard their interests against unfair practice of the employer. It was further stated that with the formation of the trade union, the management got furious, took up vindictive attitude, resorted to wrongful dismissal of union leaders and ultimately wrongful locked out the colliery. In paragraph 4 of the said written statement it is stated:—

"4. Shri Madho Singh was the first to be victimised by a letter dated 31st May, 1966 and then all the other leaders namely: Kameswar Pasaman, Laksmi Narain Mukherji, Deoraj Dusadh, Zamadar Singh, Dhiren Roy, Rameswar Dusadh and many others were victimised. The dismissal cases were referred to arbitration of Shri D. C. Chakraborty, Labour Enforcement Officer (Central) under the joint signature of Shri Hari Prasad Bhalotia, one of the Directors of the colliery and Sri Sunil Sen, Organising Secretary of the Sabha and both agreed in writing that the decision of the Arbitrator will be binding. After a protracted hearing, the Arbitrator directed reinstatement of the workman; but the management did not care to implement the Award."

It is further stated in paragraph 8 of the statement:—

"8. That the said dismissal is absolutely illegal, mala fide and unjustified. Such type of dismissal is unheard of and in utter violation of the Standing Order and basic principles of natural justice. The workman is dismissed on the basis of a so-called settlement between the employer and another union is shocking and unlawful."

It appears from the evidence of workman concerned:

- (a) that he was never a member of Keshab Banerjee's union, meaning the trade union known as Colliery Mazdoor Union of which Keshab Banerjee was the General Secretary.
- (b) that at the time of his dismissal he was a member and also the Vice-President of a trade union known as Colliery Mazdoor Sabha, which began its operation in the local area in 1966.
- (c) that he was not aware of any settlement, particularly, as alleged by the management, at the instance or intervention by Colliery Mazdoor Union.
- (d) that the Colliery Mazdoor Union was not a major union in the colliery and about 10 persons were members of the said union.

The workman further stated in his evidence:—

"I am not aware of any settlement of dispute of the colliery concerned brought about in the office of the Labour Commissioner prior to 1966. Kailash Singh and Bishu still work in the employer company. I was victimised because I insisted upon payment of my old dues. Rajpuriya has been working in the concerned colliery since the beginning."

By Kailash Singh and Bishu he meant Kailash Kahar and Biswanath Singh who were accused in the Criminal case mentioned in the beginning of the judgment and who were sentenced to a term of imprisonment along with him.

12. Hari Prasad Bhalotia gave evidence on behalf of the management. He said in his evidence:

- (i) that Madho Singh was a member of the Colliery Mazdoor Union in 1965, but in answer to a question by the tribunal he admitted that the same was his inference only.

- (ii) in 1965 there was no other union, meaning thereby no other union excepting the Colliery Mazdoor Union.
- (iii) the story told by Madho Singh that he was dismissed because he insisted upon his old dues was not true.
- (v) the money due to Madho Singh was not paid even after his dismissal.

Shri K. P. Mukherjee, learned Counsel for the employer company, very strongly relied on the language of Sub-Section 3 of Section 18 of the Industrial Disputes Act, which I set out below:—

18. (1) ***
(2) ***

(3) A settlement arrived at in the course of conciliation proceedings under this Act or an arbitration award in a case where a notification has been issued under sub-section (2A) of section 10A or an award of a Labour Court, Tribunal or National Tribunal which has become enforceable shall be binding on—

- (a) all parties to the industrial dispute;
- (b) all other parties summoned to appear in the proceedings as parties to the dispute, unless the Board, arbitrator, Labour Court, Tribunal or National Tribunal as the case may be, records the opinion that they were so summoned without proper cause;
- (c) where a party referred to in clause (a) or clause (b) is an employer, his heirs, successors or assigns in respect of the establishment to which the dispute relates;
- (d) where a party referred to in clause (a) or clause (b) is composed of workmen, all persons who were employed in the establishment or part of the establishment, as the case may be, to which the dispute relates on the date of the dispute and all persons who subsequently become employed in that establishment or part."

and argued that assuming for the sake of argument that workman concerned was not a member of Keshab Banerjee's union, that is to say the Colliery Mazdoor Union, at the material time, even then the settlement brought about before the Conciliation officer would be binding upon the concerned workman. In this context, he invited my attention to a judgment of the Supreme Court in *Rannagar Cane and Sugar Company Limited Vs Jatun Chakravorty* (1961) 1 L.J. 244 in which Gajendragadkar, J. (as he then was) observed (at page 247):—

"Section 18(3)(d) makes it clear that, where a party referred to in Cl. (a) or (b) is composed of workmen, all persons who were employed in the establishment or part of the establishment, as the case may be, to which the dispute relates on the date of the dispute and all persons who subsequently become employed in that establishment or part, would be bound by the settlement. In other words, there can be no doubt that the settlement arrived at between the appellants and the Employees' Union during the course of conciliation proceedings on 25 February 1954, would bind not only the members of the said union but all workmen employed in the establishment of the appellants at that date. *That inevitably means that the respondents would be bound by the said settlement even though they may belong to the rival union.* In order to bind the workmen it is not necessary to show that the said workmen belong to the union which was a party to the dispute before the conciliator. The whole policy of S. 18 appears to be to give an extended operation to the settlement arrived at in the course of conciliation proceedings, and that is the object with which the four categories of persons bound by such settlement are specified in S. 18 Sub-Sec. (3). In this connection we may refer to two recent decisions of this Court where similar questions under Ss. 19(6) and 33(1)(a) of the Act have been considered *vide the Associated Cement Companies, Ltd., Parbandar v their workmen and others* (1960—1 L.L.J. 491) and *New India Motors (Private) Ltd. v. K. T. Morris* (1960—1 L.L.J. 551)".

He also invited my attention to a decision of the Madras High Court in *Workers of Buckingham & Carnatic Co. and Commissioner of Labour and Chief Conciliation Officer* 1964—1 L.L.J. 253 and to another decision of the High Court of Kerala in *Monthly Rated Workmen of Peirce Leslie & Co. v. Labour Commissioner and Chief Conciliation Officer* 1966—1 L.L.J. 503, also in support of the same proposition.

13. The proposition of law argued by Shri Mukherjee must be accepted as correct proposition of law. I have therefore to over-rule the legal proposition sought to be argued

on behalf of the workman that in much as he was not a member Colliery Mazdoor Union but a member of a rival union, the settlement could not bind him and that he should not be regarded as a party thereto. But I have doubts as to how far there is scope for application of the said proposition of law to the facts and circumstances of the present case. In paragraph 1 of the terms of settlement it was stated that the management would not discriminate amongst the workers who were involved and sentenced in the criminal case, namely, (1) Hari Ram Rajpuriya, (2) Nakul Chandra Goswami, (3) Madho Singh, (4) Nathu Singh and 7 other workers mentioned in the union's letter. In paragraph 2 of the terms of settlement it was stated that the union would not press for reinstatement of the 7 workers mentioned in the union's letter. Despite the agreement Hari Ram Rajpuriya, Madho Singh, Nakul Chandra Goswami and Nathu Singh were differently treated. It appears that Hari Ram Rajpuriya is still in service of the employer company. It further appears from paragraph 4 of the terms of settlement that Kailash Singh who was one of the persons amongst the 7 whose cause was championed by the union and in respect of whom it was agreed that he would not be employed. If I believe in the evidence of Madho Singh, and I find no reason to disbelieve him, Kailash Singh is still in the employment of the employer company. Thus it appears that the terms of settlement with the trade union having influence over a few of the workmen of the company (as deposed by Madho Singh) was not honoured. It was an agreement with one end loose. It did not in fact bind the management. The management picked and chose, retained the favourites and did away with persons not in favour. If the agreement or settlement was dead or ineffective, then there is no reason why on the pretext of that agreement Madho Singh alone should be sacrificed.

14. This is all the more so because during the several months that he worked, there was nothing wrong found with Madho Singh (vide the evidence of Shri Bhalotia). The workman was not also dismissed on charge of misconduct after an enquiry. In these circumstances, I am of the opinion that he was not dismissed on the terms of a binding agreement because the agreement was discarded by the management. There is no reason why it should be kept binding on the workman.

15. For the reason aforesaid, I find that the dismissal of Madho Singh with effect from May 31, 1966 by the management of Ditta's Central Kajora Colliery was not justified. He is therefore entitled to reinstatement in his employment with all wages due to him from the date of his wrongful dismissal.

This is my award.

Dated

August — — —, 1968.

(Sd.) B. N. BANERJEE,

Presiding Officer.

[No. 6/92/66-LRII.]

ORDERS

New Delhi, the 9th September 1968

S.O. 3373.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the Khas Chinchuria Colliery (Private) Limited, 12 Old Court House Street, Calcutta-5, and their workmen in respect of the matters specified in the Schedule hereto annexed;

And whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Industrial Tribunal, Calcutta, constituted under section 7A of the said Act.

SCHEDULE

Whether the termination of the services of Shri Mohan Singh, Durwan by the present management of Khas Chinchuria Colliery, Post Office, Asansol, District Burdwan with effect from the 31st October, 1967 was justified? If not, to what relief is the workman entitled?

[No. 6/59/68-LRII.]

S.O. 3374.—Whereas the Central Government is of opinion that an industrial dispute exists between the employers in relation to the South Govindpur Colliery, Post Office Katrasgarh, District Dhanbad and their workmen in respect of the matters specified in the Schedule hereto annexed;

And whereas the Central Government considers it desirable to refer the said dispute for adjudication;

Now, therefore, in exercise of the powers conferred by clause (d) of sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby refers the said dispute for adjudication to the Industrial Tribunal (No. 3), Dhanbad, constituted under section 7A of the said Act.

SCHEDULE

Whether the action of the management of South Govindpur Colliery, Post Office Katrasgarh, District Dhanbad in stopping Shri Guru Dayal Manjhi, Register Keeper, from work with effect from the 9th April, 1968 and subsequently dismissing him from service from the 23rd April, 1968 was justified? If not, to what relief is the workman entitled?

[No. 2/124/68-I.R.II.]

New Delhi, the 12th September 1968

S.O. 3375.—Whereas an industrial dispute exists between the employers in relation to the Searsole Colliery and their workmen represented by the Colliery Mazdoor Sabha, Post Office Asansol, District Burdwan.

And whereas the said employers and their workmen have by a written agreement, in pursuance of the provisions of sub-section (1) of section 10A of the Industrial Disputes Act, 1947 (14 of 1947), referred the said dispute to arbitration by the person specified therein, and a copy of the said arbitration agreement has been forwarded to the Central Government.

Now, therefore, in pursuance of the provisions of sub-section (3) of section 10A of the Industrial Disputes Act, 1947 (14 of 1947), the Central Government hereby publishes the said arbitration agreement, which was received by it on the 28th August, 1968.

ARBITRATION AGREEMENT

(Under Section 10A of the I. D. Act, 1947)

(FORM C)

Name of the parties :—

Representing Employer.—Shri P. N. Verma, Manager, Searsole Colliery of M/s. Searsole Coal Co. Ltd., P.O. Raniganj, Dist: Burdwan.

Representing Workmen.—Shri Kalyan Roy, Vice-President, Colliery Mazdoor Sabha, P.O. Asansol, Dist: Burdwan.

It is hereby agreed between the parties to refer the following industrial dispute to the arbitration of Shri K. Sharan, Regional Labour Commissioner (Central), Asansol.

(i) *Specific matter in dispute.*

(1) Whether the management of Searsole Colliery, P.O. Raniganj, Distt: Burdwan of M/s. Searsole Coal Company Limited are responsible for the temporary closure with effect from 10th June, 1968 to 20th June, 1968 of the colliery under section 22 of the Mines Act, 1952 having regard to the fact that they did not comply earlier with the order of the Mines Inspector under section 22(1) of the said Act to rectify the defects of the Winding Engine.

2. If so, whether the workmen employed in the said colliery who have been forced to go idle with effect from 10th June, 1968 and are still to continue to be so, are entitled to full wages for the above period taking into consideration the fact that the management have not notified any lay off as required under Rule 75A of the I.D. (Central), Rules, 1957 and have refused to pay lay-off wages.

3. Whether the management of Searsole Colliery is responsible for stoppage of work in the Colliery Pit Nos. 1 & 2 and quarry No. 3 with effect from 21st June,

1968 to 28th July, 1968 and for not starting the work in quarry No. 2 till date.

4. If so, whether the workmen rendered idle in the above pits during the above period and are still continuing to be so are entitled to full wages. If not, to what relief they are entitled.

(ii) Details of the parties to the dispute indicating the name and addresses of the establishment or undertaking involved.

Employers in relation to Searsole Colliery, P.O. Raniganj, Dist: Burdwan of M/s. Searsole Coal Company Limited.

AND

The workmen represented through the Colliery Mazdoor Sabha (AITUC), P.O. Asansol, Dist: Burdwan.

(iii) Name of the union, if any, representing the workmen in question.

Colliery Mazdoor Sabha, P.O. Asansol, Dist: Burdwan.

(iv) Total number of workmen engaged in the undertaking effected—Approximate 900.

(v) Estimated number of workmen effected or likely to be affected by the dispute—900.

The decision of the arbitrator shall be binding on us.

The arbitrator shall make his award within the period of 30 days or within such further time as is extended by mutual agreement between us in writing. In case the award is not made within the period above mentioned, the reference to arbitration shall automatically be cancelled and we shall be free to negotiate for fresh arbitration.

Signature of the parties

(Sd.) KALYAN ROY,
Vice-President,
Colliery Mazdoor Sabha,
Representing the workmen.

(Sd.) P. N. VERMA,
Manager, Searsole Colliery of
M/s. Searsole Coal Co. Ltd.
Representing Employer.

Witness:—

1. Sd/- Illegible
2. Sd/- Illegible.

(Sd.) R. B. MAZUMDAR,
Assistant Labour Commissioner (C),
Asansol.

[No. 6/91/68-LRIL.]

BALWANT SINGH, Under Secy.

(Department of Labour and Employment)

New Delhi, the 12th September 1968

S.O. 3376.—In pursuance of sub-clause (1) of clause 6 of the Personal Injuries (Compensation Insurance) Scheme, 1965, the Central Government hereby determines the equivalent of all advance payments of premium already paid by an employer as the total premium due on a policy of insurance.

[No. 3/29/68-Spl.Fac.II.]

N. N. CHATTERJEE, Jt. Secy.

(Department of Labour and Employment)

[Office of the Chief Labour Commissioner (Central)]

ORDERS

New Delhi, the 3rd September 1968

S.O. 3377.—Whereas an application has been made under Section 19(b) of the Payment of Bonus Act, 1965 by Messrs. Sutta Stone & Lime Co., Ltd., (employer) in relation to their establishments mentioned in the Schedule below for extension of the period for the payment of bonus to their employees for the accounting year ending on 31st December, 1967.

And whereas being satisfied that there are sufficient reasons to extend the time I have, in exercise of the powers conferred on me by the proviso to clause (b) of Section 19 of the said Act read with the notification of the Government of India in the Ministry of Labour and Employment No. WB-20(42)/65 dated the 28th August, 1965, passed orders on 2nd September, 1968 extending the period for payment of the said bonus by the said employer by 2 months from the due date under clause (b) of Section 19 of the Act.

Now this is published for information of the employer and all the employees of the said establishment.

THE SCHEDULE

| Name and address of the employer(s) | Establishment(s) |
|--|---|
| The Sutna Stone & Lime Co. Ltd, 6, Middle Road, Hastings, Calcutta-22. | Raghuraj Nagar Lime Stone Mines, Satna. |

[No. B.A.8(13)/68-LS.I.]

S.O. 3378.—Whereas an application has been made under Section 19(b) of the Payment of Bonus Act, 1965 by Messrs. Jhagrakhand Collieries Ltd., (employer) in relation to their establishments mentioned in the Schedule below for extension of the period for the payment of bonus to their employees for the accounting year ending on 31st December, 1967.

And whereas being satisfied that there are sufficient reasons to extend the time I have, in exercise of the powers conferred on me by the proviso to clause (b) of Section 19 of the said Act read with the notification of the Government of India in the Ministry of Labour and Employment No. WB-20(42)/65 dated the 28th August, 1965, passed orders on..... extending the period for payment of the said bonus by the said employer by 15 days from the due date under clause (b) of Section 19 of the Act.

Now this is published for information of the employer and all the employees of the said establishment.

THE SCHEDULE

| Name and address of the employer(s) | Establishment(s) |
|--|---|
| The Jhagrakhand Collieries (P) Ltd., P. O. Jhagrakhand Collicry, Distt. Surguja (M.P.) | North, South and West Jhagrakhand Collieries, Distt. Surguja. |

[No. BA-5(12)/68-LS.I.]

New Delhi, the 11th September 1968

S.O. 3379.—Whereas an application has been made under Section 19(b) of the Payment of Bonus Act, 1965 by Messrs Sone Valley Portland Cement Co. Ltd., New Delhi (employer) in relation to their establishments mentioned in the Schedule below for extension of the period for the payment of bonus to their employees for the accounting year ending on 31st December, 1967.

And whereas being satisfied that there are sufficient reasons to extend the time I have, in exercise of the powers conferred on me by the proviso to clause (b) of Section 19 of the said Act read with the notification of the Government of India in the Ministry of Labour & Employment No WB-20(42)/65, dated the 28th August, 1965, passed orders on..... extending the period for payment of the said bonus by the said employer by 2 (two) months from the due date under clause (b) of Section 19 of the Act.

Now this is published for information of the employer and all the employees of the said establishment.

THE SCHEDULE

| Name and address of the employer(s) | Establishment(s) |
|--|---|
| M/s. Sone Valley Portland Cement Co. Ltd., Punjab National Bank House, 5-Parliament Street, New Delhi. | 1. Lime Stone Quarries at Baulia (Distt. Shabad) Bihar. 2. Hutar Colliery Hutar, Distt. Palaman (Bihar). |

[No. BA-6(4)/68-L.S.I.]

O. VENKATACHALAM,
Chief Labour Commissioner (Central).

(Department of Rehabilitation)

(Office of the Chief Settlement Commissioner)

New Delhi, the 4th September 1968

S.O. 3380.—In exercise of the powers conferred by Clause (a) of Sub-Section (2) of Section 16 of the Displaced Persons (Compensation and Rehabilitation) Act, 1954 (44 of 1954), the Central Government hereby appoints for the States of Maharashtra, Gujarat, Andhra Pradesh, Madras, Mysore and Kerala, Shri S. K. Soni, Assistant Settlement Officer in the office of the Assistant Settlement Commissioner Incharge, Bombay as Managing Officer for the custody, management and disposal of compensation pool.

[No. 8/3/AGZ/67.]

S.O. 3381.—In exercise of the powers conferred by Sub-Section (i) Section 6 of the Administration of Evacuee Property Act, 1950 (XXII of 1950), the Central Government hereby appoints, Shri S. K. Soni, Assistant Settlement Officer in the office of the Assistant Settlement Commissioner Incharge, Bombay as Assistant Custodian for the States of Maharashtra, Gujarat, Andhra Pradesh, Madras, Mysore and Kerala as Assistant Custodian for the purpose of discharging the duties imposed on such officers by or under the said Act.

[No. 8/3/AGZ/67.]

A. G. VASWANI,

Settlement Commissioner (A) & *Ex-Officio* Under Secy.

(Department of Rehabilitation)

(Office of the Regional Settlement Commissioner)

New Delhi, the 11th September 1968

S.O. 3382.—In exercise of the powers vested in me under sub-Section (3) of Section 34 of the Displaced Persons (Compensation and Rehabilitation) Act, 1954, I, R. B. Mathur, Regional Settlement Commissioner, New Delhi, hereby delegate the powers under Sub-Section (2) of Section 21 of the above said Act, to Shri Goswami H. J. Lal, Settlement Officer with effect from 9th August, 1968.

[No. F. 28(217)/Admn/RSCD.]

R. B. MATHUR,

Regional Settlement Commissioner.